

for the Federal supervision of motion pictures; to the Committee on Interstate and Foreign Commerce.

7534. By Mr. GARBER of Oklahoma: Petition of the John E. Wolf Co., Oklahoma City, Okla., in support of House bill 10344 and in opposition to House bill 11096; to the Committee on the Post Office and Post Roads.

7535. By Mr. HUDSON: Petition of the Detroit Federation of Labor, urging a cessation of border-crossing privileges for the purpose of employment of aliens in the United States, and urging a revocation of any order of proclamation for interference with the rights of the worker in and around Detroit, Mich., which deprives legally domiciled labor of such employment; to the Committee on Immigration and Naturalization.

7536. By Mr. MEAD: Petition of Woman's Christian Temperance Union of Protection, N. Y., for Federal supervision of motion pictures; to the Committee on Interstate and Foreign Commerce.

7537. By Mr. YATES: Petition of F. W. Pangborn, secretary-treasurer Dairy Employees' Union, No. 220, South Ashland Boulevard, Chicago, requesting the passage of House bill 6603; to the Committee on the Post Office and Post Roads.

7538. Also, petition of F. R. Eisels, secretary United Brotherhood Carpenters and Joiners, Chicago, Ill., urging the passage of House bill 6603; to the Committee on the Post Office and Post Roads.

7539. Also, petition of James B. Felty, secretary-treasurer Cigar Makers' Union, No. 114, 66 West Washington Street, Chicago, Ill., requesting the immediate passage of House bill 6603; to the Committee on the Post Office and Post Roads.

7540. Also, petition of E. E. Blake, of O. D. Jennings & Co., 4309-4339 West Lake Street, Chicago, protesting against the consideration and passage of House bill 11096; to the Committee on the Post Office and Post Roads.

7541. Also, petition of Jay D. Miller, vice president and general counsel Sprague, Warner & Co., Chicago, Ill., opposing the passage of House bill 11514, to define preserves, jams, etc., and provide standards therefor; to the Committee on Agriculture.

## SENATE

THURSDAY, June 12, 1930

(Legislative day of Monday, June 9, 1930)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1458. An act for the relief of the State of Florida;

S. 3810. An act to provide for the commemoration of the termination of the War between the States at Appomattox Court House, Va.;

S. 3965. An act to authorize the Secretary of War to grant an easement to the Wabash Railway Co. over the St. Charles rifle range, St. Louis County, Mo.; and

S. 4046. An act authorizing the erection, maintenance, and use of a banking house upon the United States military reservation at Fort Lewis, Wash.

The message also announced that the House insisted upon its amendment to the bill (S. 4017) to amend the act of May 29, 1928, pertaining to certain War Department contracts by repealing the expiration date of that act, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RANSLEY, Mr. WURZBACH, and Mr. QUIN were appointed managers on the part of the House at the conference.

The message further announced that the House insisted upon its amendments to the bill (S. 4140) providing for the sale of the remainder of the coal and asphalt deposits in the segregated mineral land in the Choctaw and Chickasaw Nations, Oklahoma, and for other purposes, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LEAVITT, Mr. SPROUL of Kansas, and Mr. EVANS of Montana were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 174. An act to provide for the establishment of a branch home of the National Home for Disabled Volunteer Soldiers in one of the Southeastern States;

S. 465. An act to give war-time rank to retired officers and former officers of the United States Army; and

S. 4269. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky or the successors of said commission, to acquire, construct, maintain, and operate bridges within Kentucky and/or across boundary line streams of Kentucky.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 233. An act to approve the action of the War Department in rendering relief to sufferers of the Mississippi River flood in 1927;

H. R. 3222. An act for the relief of the State of Vermont;

H. R. 4290. An act to provide for the care of private battlefield memorials in Europe;

H. R. 6128. An act to establish a national military park to commemorate the Battle of Kings Mountain;

H. R. 7638. An act to authorize the acquisition for military purposes of land in the county of Montgomery, State of Alabama, for use as an addition to Maxwell Field;

H. R. 7929. An act providing retirement for persons who hold licenses as navigators or engineers who have reached the age of 64 years and who have served 25 or more years in the Army Transport Service;

H. R. 9638. An act to establish a branch home of the National Home for Disabled Volunteer Soldiers in one of the Northwest Pacific States; and

H. R. 11409. An act to authorize the erection of a tablet in the Fort Sumter Military Reservation to the memory of the garrison at Fort Sumter during the siege of 1861.

### ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 8372. An act to provide for the construction and equipment of an annex to the Library of Congress;

H. R. 11903. An act granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Niagara Falls, N. Y.; and

H. R. 11933. An act granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Tonawanda, N. Y.

### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fess	Kendrick	Shipstead
Ashurst	Frazier	Keyes	Shortridge
Baird	George	La Follette	Simmons
Barkley	Gillett	McCulloch	Smoot
Bingham	Glass	McKellar	Steiwer
Black	Glenn	McMaster	Stephens
Blaine	Goldsbrough	McNary	Sullivan
Borah	Greene	Metcalf	Swanson
Bratton	Grundy	Moses	Thomas, Idaho
Brock	Hale	Norbeck	Thomas, Okla.
Brookhart	Harris	Norris	Townsend
Broussard	Harrison	Oddie	Trammell
Capper	Hatfield	Overman	Tydings
Caraway	Hawes	Phipps	Vandenberg
Connally	Hayden	Pine	Wagner
Copeland	Hebert	Pittman	Walcott
Couzens	Heflin	Ransdell	Walsh, Mass.
Cutting	Howell	Reed	Walsh, Mont.
Dale	Johnson	Robinson, Ind.	Waterman
Deneen	Jones	Robison, Ky.	Watson
Dill	Kean	Sheppard	Wheeler

Mr. FRAZIER. My colleague [Mr. NYE] is unavoidably absent. I ask that this announcement may stand for the day.

Mr. SHEPPARD. I desire to announce that the Senator from Utah [Mr. KING], the Senator from South Carolina [Mr. SMITH], and the Senator from Florida [Mr. FLETCHER] are necessarily detained by illness.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

### BRIDGES IN THE STATE OF KENTUCKY

Mr. BARKLEY. I ask that the Chair lay before the Senate the bill S. 4269, returned from the House of Representatives with amendments.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4269) authorizing the Commonwealth of Kentucky, by and through

the State Highway Commission of Kentucky or the successors of said commission, to acquire, construct, maintain, and operate bridges within Kentucky and/or across boundary line streams of Kentucky, which were, on page 2, line 8, after the word "Ashland," to insert "a bridge across the Ohio River at or near a point opposite Cairo, Ill.," on page 4, line 8, after the word "bridges," to insert a comma and "excepting and excluding interstate bridges"; and on page 6, line 5, to strike out all after the word "tolls" down to and including the word "management" in line 10.

Mr. BARKLEY. I move that the Senate concur in the House amendments.

The motion was agreed to.

#### BRANCH SOLDIERS' HOME IN A SOUTHERN STATE

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 174) to provide for the establishment of a branch home of the National Home for Disabled Volunteer Soldiers in one of the Southeastern States, which were, on page 1, line 5, to strike out "Southeastern" and insert "Southern," and on page 1, line 8, to strike out "Southeastern" and insert "Southern," and to amend the title so as to read: "An act to provide for the establishment of a branch home of the National Home for Disabled Volunteer Soldiers in one of the Southern States."

Mr. GEORGE. I move that the amendments of the House be concurred in.

The motion was agreed to.

#### ST. FRANCIS RIVER BRIDGE, ARKANSAS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4196) to authorize the construction, maintenance, and operation of a bridge across the St. Francis River in Craighead County, Ark., which were, on page 2, after line 4, to insert:

"Sec. 2. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the St. Louis Southwestern Railway Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation or person"; and on page 2, line 5, to strike out "2" and insert "3."

Mr. CARAWAY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

#### PETITIONS

The VICE PRESIDENT laid before the Senate a telegram from the Indiana Department, Grand Army of the Republic, in session at Wabash, Ind., which was ordered to lie on the table and to be printed in the RECORD, as follows:

[Telegram]

WABASH, IND., June 11, 1930.

The UNITED STATES SENATE,

Washington, D. C.:

The Indiana Department, Grand Army of the Republic, in session here to-day, thanks both Houses of Congress for the passage of the bill increasing pensions of Civil War veterans and the President for his indorsement.

A. B. CRAMPTON,

Assistant Adjutant General, Indiana Grand Army of the Republic.

The VICE PRESIDENT also laid before the Senate a communication from the Philadelphia (Pa.) Chapter of American War Mothers, commending the amendment of the so-called gold-star mothers' pilgrimage bill enabling the gold-star mothers to visit the graves of their loved ones, which was ordered to lie on the table.

Mr. BROOKHART presented a resolution of the Woman's Christian Temperance Union, of Sharpsburg, Iowa, favoring the passage of legislation for the Federal supervision of motion pictures and establishing higher standards before production for films that are to be licensed for interstate and foreign commerce, which was referred to the Committee on Interstate Commerce.

#### REPORTS OF COMMITTEES

Mr. HOWELL, from the Committee on Claims, to which was referred the bill (S. 2625) for the relief of the estate of Moses M. Bane, reported it without amendment and submitted a report (No. 892) thereon.

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (H. R. 887) for the relief of Mary R. Long, reported it with amendments and submitted a report (No. 893) thereon.

He also, from the same committee, to which was referred the bill (H. R. 936) for the relief of Glen D. Tolman, reported it with an amendment and submitted a report (No. 894) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 593. An act for the relief of First Lieut. John R. Bailey (Rept. No. 895);

H. R. 1029. An act for the relief of Arthur D. Story, assignee of Jacob Story, and Harris H. Gilman, receiver for the Murray & Thregertha plant of the National Motors Corporation (Rept. No. 896); and

H. R. 7205. An act for the relief of Lamirah F. Thomas (Rept. No. 897).

Mr. STEIWER (for Mr. TOWNSEND), from the Committee on Claims, to which was referred the bill (S. 4561) for the relief of Sallie S. Twilley, reported it with an amendment and submitted a report (No. 899) thereon.

Mr. DALE, from the Committee on Civil Service, to which was referred the bill (H. R. 11978) to authorize the appointment of employees in the executive branch of the Government and the District of Columbia, reported it without amendment and submitted a report (No. 898) thereon.

Mr. BORAH, from the Committee on Foreign Relations, to which was referred the joint resolution (H. J. Res. 280) to authorize participation by the United States in the Interparliamentary Union, reported it without amendment.

#### ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that to-day, June 12, 1930, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 3298. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Evansville, Ind.;

S. 3386. An act giving the consent and approval of Congress to the Rio Grande compact signed at Santa Fe, N. Mex., on February 12, 1929;

S. 3466. An act to legalize the water pipe line constructed by the Searcy Water Co. under the Little Red River near the town of Searcy, Ark.;

S. 3868. An act granting the consent of Congress to the Lamar Lumber Co. to construct, maintain, and operate a railroad bridge across the West Pearl River at or near Talisheek, La.;

S. 3898. An act granting the consent of Congress to the Mill Four Drainage District, in Lincoln County, Oreg., to construct, maintain, and operate dams and dikes to prevent the flow of waters of Yaguina Bay and River into Nutes Slough, Boones Slough, and sloughs connected therewith;

S. 3950. An act authorizing the establishment of a migratory bird refuge in the Cheyenne Bottoms, Barton County, Kans.;

S. 4175. An act to legalize a bridge across Duck River, on the Nashville-Centerville Road, near Centerville, in Hickman County, Tenn., and approximately 1,000 feet upstream from the existing steel bridge on the Centerville-Dickson Road; and

S. J. Res. 155. Joint resolution to provide for the naming of a prominent mountain or peak within the boundaries of Mount McKinley National Park, Alaska, in honor of Carl Ben Eielson.

#### REPORTS OF NOMINATIONS

As in executive session,

Mr. METCALF, from the Committee on Education and Labor, reported the nomination of Edward T. Franks, of Kentucky, to be a member of the Federal Board for Vocational Education, which was placed on the Executive Calendar.

He also, from the same committee, reported the nomination of Miss Bess Goodykoontz, of Iowa, to be Assistant Commissioner of Education, which was placed on the Executive Calendar.

Mr. PHIPPS, from the Committee on Post Offices and Post Roads, reported sundry post-office nominations, which were placed on the Executive Calendar.

#### OPINIONS OF THE COURT OF CUSTOMS AND PATENT APPEALS

Mr. VANDENBERG. Mr. President, I submit a routine report from the Committee on Printing, and I shall ask for its present consideration. I am directed by that committee to report back favorably without amendment the bill (H. R. 11274) to amend section 305, chapter 8, title 28, of the United States Code, relative to the compilation and printing of the opinions of the Court of Customs and Patent Appeals.

The sole purpose of the bill is to permit the court to print its own decisions. They are now printed under the Treasury Department, and it is the unanimous opinion of the Committee



on Printing that they should be printed independently by the court.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That the second sentence of section 305 (Jud. C., sec. 192) of chapter 8 of title 28 of the United States Code be amended to read as follows:

"The reporter of the Court of Customs and Patent Appeals shall prepare and transmit—

"(1) To the Secretary of the Treasury, once a week, in time for printing in the publication entitled 'Treasury Decisions,' copies of all opinions relating to customs rendered by the court to that date;

"(2) To the Commissioner of Patents, once a week, in time for printing in the publication entitled 'Official Gazette,' copies of all opinions relating to patent and trade-mark appeals rendered to that date by said court.

"The reporter shall cause to be compiled and published, at least once a year, in such manner as the court shall direct, all of the opinions rendered by said court to that date, together with such digests and indexes as the court may deem necessary."

#### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Massachusetts:

A bill (S. 4698) amending the act entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War," approved May 24, 1928; to the Committee on Finance.

By Mr. McCULLOCH:

A bill (S. 4699) granting an increase of pension to Lucy Grimsley (with accompanying papers); to the Committee on Pensions.

A bill (S. 4700) to authorize Lieut. Harvey R. Bowes, of the United States Navy, to accept the award of the French Legion of Honor (with accompanying papers); to the Committee on Naval Affairs.

By Mr. ROBINSON of Indiana:

A bill (S. 4701) granting a pension to Myrtle Josephine Cogley (with accompanying papers);

A bill (S. 4702) granting an increase of pension to Luvinah J. Price (with accompanying papers); and

A bill (S. 4703) granting an increase of pension to Thomas Miller (with accompanying papers); to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 4704) granting a pension to William H. Idle; to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 4705) authorizing the President to order Harry W. Kerns before a retiring board for a hearing of his case and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; to the Committee on Military Affairs.

By Mr. GILLETT:

A joint resolution (S. J. Res. 189) establishing a commission for the participation of the United States in the observance of the three hundredth anniversary of the founding of the Massachusetts Bay Colony, authorizing an appropriation to be utilized in connection with such observance, and for other purposes; to the Committee on the Library.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Military Affairs:

H. R. 233. An act to approve the action of the War Department in rendering relief to sufferers of the Mississippi River flood in 1927;

H. R. 3222. An act for the relief of the State of Vermont;

H. R. 4290. An act to provide for the care of private battle-field memorials in Europe;

H. R. 6128. An act to establish a national military park to commemorate the Battle of Kings Mountain;

H. R. 7638. An act to authorize the acquisition for military purposes of land in the county of Montgomery, State of Alabama, for use as an addition to Maxwell Field;

H. R. 7929. An act providing retirement for persons who hold licenses as navigators or engineers who have reached the age of 64 years and who have served 25 or more years in the Army Transport Service;

H. R. 9638. An act to establish a branch home of the National Home for Disabled Volunteer Soldiers in one of the Northwest Pacific States; and

H. R. 11409. An act to authorize the erection of a tablet in the Fort Sumter Military Reservation to the memory of the garrison at Fort Sumter during the siege of 1861.

#### CHANGE OF REFERENCE

On motion of Mr. REED, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 2982) authorizing the Secretary of War to grant the use of a portion of Fort Ward, in the State of Washington, to the Washington Veterans' Home Association of the Veterans of All Wars for park purposes, and it was referred to the Committee on Naval Affairs.

#### AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. PHIPPS submitted an amendment proposing to appropriate \$20,000 for repairs and improvements, including repair of elevators, replacement of linoleum, and painting and plastering, at the Columbia Hospital and Lying-in Asylum, to be expended in the discretion and under the direction of the Architect of the Capitol, fiscal years 1930 and 1931, intended to be proposed by him to House bill 12902, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

#### TRAVEL EXPENSES OF CERTAIN SENATE EMPLOYEES

Mr. BINGHAM submitted the following resolution (S. Res. 291), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate is authorized and directed to pay from the contingent fund of the Senate to the secretary, or to one assistant secretary of any Senator, who in the course of his official duties is required to travel from Washington, D. C., to the legal residence of the Senator and return, a sum to cover the cost of such travel which shall be calculated on a basis of 8 cents a mile by the most direct and customary route: *Provided*, That such travel shall not exceed one round trip for any regular, extra, or special session of Congress: *And provided further*, That such payment shall be made only upon certification by the Senator by whom the secretary or assistant secretary is employed, that the travel was requisite and necessary in the discharge of his official duties.

#### CORPORATIONS OPERATING COTTONSEED-OIL MILLS

Mr. HEFLIN submitted the following resolution (S. Res. 292), which was referred to the Committee on Printing:

*Resolved*, That the Federal Trade Commission is hereby directed to transmit, from time to time, to the Senate, or expeditiously file with the Secretary of the Senate during the recess of Congress, a transcript of the hearings held before said commission, pursuant to Senate Resolution 136 and Senate Resolution 147, Seventy-first Congress, directing an investigation of the charges that certain corporations operating cottonseed-oil mills are violating the antitrust laws with respect to prices for cottonseed and acquiring the ownership or control of cotton gins, and that the same shall be printed, with accompanying illustrations, as a document for the use of the Senate.

#### AGRICULTURE AND THE TARIFF—SPEECH OF SENATOR DANIEL F. STECK

Mr. BRATTON. Mr. President, I ask leave to have printed in the RECORD a very enlightening speech delivered by the senior Senator from Iowa [Mr. STECK] at the Hawkeye, Iowa, farmers' picnic June 12, 1930.

The VICE PRESIDENT. Without objection, leave is granted.

Senator STECK spoke as follows:

The past four years have been of extreme importance to Iowa and to all the great agricultural States. For many years the rights and needs of agriculture have been discussed in party platforms and by party candidates for political offices, but only during the past four years has there been any real attempt to translate promises into legislation. During these years we have had the three fights for the McNary-Haugen bills—the export debenture, the Federal Farm Board, and the revision of the tariff.

Entering the Senate in April, 1926, it has been my privilege to take a part in all these fights. Shortly after I entered the Senate the McNary-Haugen bill, containing the equalization-fee plan, came up for the first time. I supported it and during the debate spoke in favor of its passage. (This bill was defeated.)

At that time (June 8, 1926), commenting on the causes of the depression of agriculture, I said: "In my opinion, the present agriculture problem is based upon two conditions, both economically unsound. First, the farmer sells in competition with the world and buys in a protected market. In other words, the tariff does not add to his in-

come and does contribute materially to his expenditure. Second, the farmer has no orderly method of marketing, and so is unable to get a stable price for his products." That was my judgment then and is my judgment now. In the fight for the McNary-Haugen bills we were trying to provide the farmer with a plan of orderly marketing, and I am still convinced that that plan was the most sound and workable plan which has received the consideration of Congress. Twice the Congress passed these bills and twice they were vetoed by President Coolidge. Then came the general election and the nomination of Mr. Hoover at Kansas City. Many good Republicans claim that the farmers were ignored and their interests betrayed at this convention. Whether this be true is a question for Republicans to decide. It was their convention and theirs is the responsibility. However that may be, the fact is that the McNary-Haugen plan was thrown overboard and in its stead we were promised a Federal Farm Board with broad powers and practically unlimited funds. Also we were promised a revision of the tariff in the interests of agriculture, a revision which was to mitigate the forces working to the detriment of agriculture and place agriculture on a parity with other industry.

Mr. Hoover became President Hoover and within a few weeks after his inauguration he called Congress into special session to accomplish these two things—farm relief and limited changes in the tariff.

The Congress speedily passed the act creating the Federal Farm Board and it has been in operation for about a year. I was impatient to get some plan which promised relief to our farmers and voted for its passage. I sincerely hope it will prove a real help. I believe the board is making a good-faith effort to accomplish the purpose of the act and want it to be given a fair opportunity to prove itself before it is condemned. It was regrettable that the United States Chamber of Commerce recently passed a resolution condemning the Farm Board, and I have been happy to see the chambers of commerce of so many of our Iowa cities repudiating this hasty and ill-advised action of the national chamber.

After passing the bill creating the Farm Board the Congress took up the tariff. Tariff bills and all revenue measures must originate in the House of Representatives. The House Committee on Ways and Means held hearings for six months and reported a bill which the House passed practically unchanged and within a few days. Everyone remembers the storm of protest that went up when the terms of the bill became known to the country. Instead of a limited revision as promised and recommended by the President, the House bill was a general revision of the present law. And instead of being a revision in favor of agriculture, it placed agriculture in a worse position than it had been under the act of 1922. The protests against the House bill were from nearly every group and from every section of the country. Republican newspapers vied with Democratic newspapers in condemning it. It had no defenders except certain great industrial interests in whose behalf and at whose behest it was written. Not even the Republican Congressmen by whose votes it was passed defended it.

Everyone looked to the Senate to rewrite the bill to comply with the President's promises and wishes. The Senate Finance Committee after long hearings reported a bill which was better than the House bill, but which in comparison with the existing law was outrageous and undefendable. In fact no Senator has had the courage to defend it on the floor of the Senate from the day it was reported to the day of its passage.

The Senate started to work on it. There were over 20,000 items in the bill. To have carefully considered each item would have taken two years or more. For a time it looked as if most of the glaring abuses would be eliminated. The Democrats, together with the Republican Senators from agriculture States, were successful in reducing many industrial rates and raising many on agriculture products. We were also successful in adding the debenture plan to the bill. Then Mr. GRUNDY was appointed to the Senate from Pennsylvania. He had been maintaining an extensive lobby in Washington for months. He moved his lobby into the Senate Office Building and went to work. To GRUNDY and to Senators SMOOT, WATSON, and others to a lesser degree can be given the credit for the bill which finally passed the Senate. I voted against it. The bill then went to conference, where we lost most of the remaining victories won in behalf of agriculture and the consumer.

Months ago I stated that I would vote against the bill unless it was fairer to agriculture and to the consumer than the present law. I can not believe that any fair-minded person with a knowledge of the provisions of the bill will claim that it is as fair to those groups of our people as is the present law, or that it carries out the promises and wishes of the President. The President may sign it. I hope not. If he does, it will be because it is the work of a Republican Congress and not because the bill meets with his personal approval.

It is impractical to mention all the increases in industrial rates which will increase the costs of living, but some of the outstanding ones are: Lumber, cement, brick, sugar, shoes and leather goods, cotton goods and clothing, woolen goods and clothing, aluminum cooking utensils, etc., farm tools, crockery and chinaware, window glass, pig iron, metal household and kitchen utensils, women's and men's felt and straw hats, linen table cloths and handkerchiefs, and wool blankets and carpets.

It is true that the rates on many agriculture products were raised, but it is also true that most of these rates can not be made effective. If we had been able to retain the debenture clause in the bill most of these rates could have been made effective, but that was stricken out by Republican votes in both the House and the Senate. Without the debenture, and producing a surplus as we do of most farm products, these rates are not effective and can not be made effective.

On many farm products where the tariff would be effective we were defeated in our fight to get fair and necessary rates. A fair rate on dairy products was refused.

The farmer's request that he be given the casein market was refused.

The farmer's request that he be given the vegetable oils was refused.

His request that he be given the starch market was denied.

His request that he be given the frozen and dried egg market was refused.

His request for a proper protection on flaxseed was refused as was also his request for a real protective duty on linseed oil.

These are some of the reasons I voted against the tariff bill. I worked and voted to keep down industrial rates and to secure fair rates on agriculture products. I led the fight in the Senate for an 8-cent duty on blackstrap molasses. I was one of the leaders in the fight for a fair duty on casein and beeswax. I was one of the leaders in the fight against a duty on shoes and leather goods, and took an active part in many other contests.

The present method of making a tariff bill is essentially selfish and sectional and I fought for the interest of my State, particularly the consumers and our greatest industry, agriculture. I believe nearly everyone who has watched this tariff bill in the making is convinced that never again should there be a general revision by Congress. The tariff should be taken out of politics and the power to fix rates lodged in a nonpartisan tariff commission. I introduced an amendment to bring this about, but it failed of passage. I am certain however that some such plan as I suggested will be adopted in the near future.

I believe in a protective tariff. Our country is definitely and I believe everlastingly committed to this economic policy; but I am opposed to a prohibitive tariff and believing as I do that most of the new rates in the present bill are prohibitive rather than protective I could not do otherwise than oppose its passage.

The country was pledged a limited revision for the purpose of giving to agriculture the same measure of fair protection enjoyed by industry under the existing tariff. In my opinion, the bill before Congress grossly violates the spirit and letter of that pledge and I could not give my consent to its becoming a law.

Among other important matters before the Congress during the past four years of particular interest to Iowa have been:

The fights to limit immigration.

The bill providing for the construction of Boulder Dam.

The improvement of our two border rivers—the upper Mississippi and the upper Missouri.

Labor legislation.

Legislation for veterans of all wars.

I took a leading part in the two principal immigration controversies. I favored a drastic limitation in the number of immigrants but opposed the national origins quota plan because it reduced the percentage of immigrants coming from northern and western Europe, especially Germany and the Scandinavian countries, and increased the percentage of those coming from southern and eastern Europe and Asia, especially Italy. The basic racial stock of our people comes from northern and western Europe and while I have no prejudice against any particular nationality I firmly believe that the future of our country will be best served by limiting future immigration almost entirely to the peoples of Norway, Sweden, Denmark, Holland, Germany, England, Ireland, and other Nordic peoples whence has come the bulk of those who have built and maintained our country and its institutions, and whose people more nearly and most easily fit into our manner of living and our form of government. Also, I voted and fought for an amendment to our immigration laws which would drastically limit immigration from Mexico because the class of people we get from that country can not be merged with our people and because all immigrants aggravate our already serious unemployment situation.

I was one of the two mid-western Senators who opposed the construction of Boulder Dam by the Federal Government. In the first place, I am fundamentally opposed to Government construction, ownership, and operation of our public utilities. Also I am opposed to taxing our people for projects which create millions of acres of agricultural lands to be operated in competition with our Iowa farms, when the country's available farm acreage is already producing a great surplus of agricultural products.

Ever since coming to the Senate I have fought for the construction of a 9-foot channel on the upper Mississippi River and the improvement of the upper Missouri from Kansas City to Sioux City. In the session of Congress commencing December, 1926, Senator David Stewart and I took the lead in the fight to improve the upper Missouri. We put it over at that session, and the project is now under way.



The fight for a 9-foot channel on the upper Mississippi has gone on for years. In 1928 we passed legislation ordering a survey, and at this session of the Congress we have secured an amendment to the rivers and harbors bill which adopts the 9-foot channel as a Federal project and authorizes an appropriation of seven and one-half millions of dollars to initiate the work. I took an active part in this fight, and feel that we have won a distinct victory for Iowa and other middle western States.

Much important labor legislation has been before Congress during my term of service. The Labor Board for the settlement of controversies between employer and employee was created. We passed the unemployment bills, the Couzens resolution holding up railroad consolidation, the convict labor bill, and the bill to regulate motor-bus lines. All these bills and others in which labor was interested received my active support.

Many bills have been passed during my four years in the Senate in the interests of our veterans. All have had my support. We have passed many special bills granting pensions to our veterans of the Civil War and the widows of Civil War veterans and have increased their regular pensions. As a member of the Senate Pensions Committee I have helped in drawing and passing all those bills. Also we have liberalized the Spanish War pension legislation and have passed several bills for the hospitalization and compensation of our World War veterans. We have increased the number of hospitals and the number of beds in existing hospitals. We passed the emergency officers' retirement bill and the Reed-Snell resolution looking toward the enactment of a universal draft act. All these and many other similar bills had my active support in the committee and on the Senate floor.

In conclusion, let me say that while I am a Democrat, and, I believe, a good one, yet I have sincerely tried to represent Iowa without regard to partisanship. I have voted in what I believe to be the best interest of all the people of Iowa and the Nation. In following this course I have at times voted contrary to the majority of my party as represented in the Senate. Also, I have refused to blindly follow any group or organization and on a few occasions have voted contrary to the desires of some of the farm organizations, of organized labor, of the American Legion, of the commercial and industrial organizations, and others, although I have been glad to agree with such groups and organizations whenever in my judgment their wishes were consistent with my general policy of trying to honestly and impartially represent the best interest of our people as a whole.

I have no apology to offer for any vote I have cast. Each vote was cast after a careful consideration of the question involved and represented my best judgment. I know I have not pleased every individual with all my votes. Indeed, I have not tried to do so. But I hope that my efforts on the whole merit and have the approval of the great majority of the people I have had the honor to represent.

#### PHILADELPHIA NEWSPAPERS

Mr. DILL. Mr. President, I ask permission to have printed in the RECORD an article appearing in The Nation of June 11, 1930, by Oswald Garrison Villard, entitled "The Philadelphia Cabbage Patch."

The VICE PRESIDENT. Without objection, it is so ordered. The article is as follows:

THE PRESS TO-DAY—VI. THE PHILADELPHIA CABBAGE PATCH

By Oswald Garrison Villard

Like Pittsburgh and Chicago, Philadelphia shows clearly the devastating effects of the drift toward consolidations and disappearances in the newspaper field. Since I served on the Philadelphia Press in 1897 there have perished the following dailies: The Press, the North American, and the News, in the morning field, and the evening Times, Item, Star, Call, and Telegraph. There remain the Inquirer and Public Ledger, the Record, the Evening Ledger, the Bulletin, and the tabloid Daily News. There are, however, only four owners left: Cyrus Hermann Kotschmar Curtis, who owns the two Ledgers and has just purchased the Inquirer; J. David Stern, an able publisher, who two years ago bought the Record; the McLean family, owners of the Bulletin; and Bernarr Macfadden, proprietor of the Daily News.

Only one of these, the Record, offers any real liberalism. Founded just 60 years ago, it prides itself upon expressing "the opinions and aspirations of enlightened men and women." It has certainly fought consistently for clean elections and better government, against debauchers of the ballot, and on behalf of exploited labor, and believes that it was chiefly responsible for the defeat of an outrageous \$149,000,000 traction grab. Until recently it was a Democratic newspaper, highly individualistic in make-up, with an especially strong following in the rural territory adjacent to Philadelphia, notably in New Jersey. The Record is to-day conventional in make-up and independent in politics. The Democratic Party in Pennsylvania has dropped out from under it, and so it is reported ready for a new political lineup, leaning occasionally in the Republican direction. Not as to the city, however. There it refuses to go along with any of the bosses. In the national field it is distinctly opposed to reactionary Republicanism and is outspoken against the new tariff. Its editorials induced Gifford Pinchot to

run for governor again, but in the primary just ended it supported the wet ticket, Bohlen for Senator and Phillips for governor.

It is of enormous importance to Philadelphia that the Record should succeed under its new ownership. Without it the city would be reduced almost to the pitiful level of Chicago, where there is no choice in the morning field save between Hearst and the McCormick's Tribune. For a city like Philadelphia to be dependent upon the McLean and Curtis dailies would be a little short of a calamity. Hence it is encouraging to learn that this flower in Philadelphia's cabbage patch has been steadily growing under Mr. Stern's leadership—at least until the recent shrinkage in business, which has profoundly affected even the most prosperous dailies. Thus, its circulation rose from 113,300 readers in 1928 to 129,959 in 1929, and has been averaging around 140,000 of late, in 1929 catching up with the morning Ledger on week days. On Sundays the showing has not been quite so favorable. During the last quarter of 1929 the Sunday Record sold 122,347 papers, a gain of 23.2 per cent over 1928, while the Sunday Ledger disposed of 483,567 copies and the Sunday Inquirer of 503,237. None the less, it appears certain to succeed.

The kind of competition which Mr. Stern has had to fight can be understood from the fact that the Curtis papers sent out in April the following notice to newsboys: "If you persist in selling Sunday Records you will not be permitted to sell Sunday Inquirers or Sunday Ledgers." The Record met this attack successfully and with entire good humor, saying that "it is the first time in Philadelphia journalistic history that one newspaper has been singled out as so important that its competitors decided to combine against it." About the same time the Record printed an editorial denouncing the Ledger for instigating through a Hearst news agency a false statement that the Record was for sale. From the same source, doubtless, have come the constant reports that the Record is not worth buying by the Curtis interests and is likely to "die of its own volition." That does not appear to me to be so certain, for Mr. Stern has had extraordinary success with his Camden papers, the Courier and Post, small-town dailies which he has built up to a joint circulation of more than 70,000. He is a man to be reckoned with, though it is plainly a most difficult furrow which he has now chosen to plow. Philadelphia is notoriously unresponsive to anything independent. He who undertakes to go counter to the political contractor gang which controls the city, and to the sordid selfishness and contentment of the middle class as well as of the very prosperous, has a man-sized job on his hands. But Mr. Stern knows how to fight. Single handed he thrice defeated the Baird machine in Camden—more strongly entrenched than Vare's in Philadelphia. Its fight upon him was most bitter and personal—in one month it had him arrested three times in the effort to drive this "carpet-bagger" out of town. He has owned six newspapers, all successful, all liberal, antimachine, and fearless.

When we come to the Bulletin with its tremendous circulation of 550,000 copies we find one of the cleanest, dullest, most bourgeois of American dailies; one of the most conventional as well as one of the most prosperous, but quite courageous enough to hold even the greatest advertisers at bay. One turns over page after page of advertising fringed with reading matter, and sees how it is that the Bulletin has found its way into almost every Philadelphia home. It is kindly and decent, though cheap in appearance, has the necessary amount of jokes and comic strips and news photographs, calls itself independent Republican, is always against Vare, and has fought the traction ring. But it can not become deeply interested in such a primary contest as has recently been ended in Pennsylvania, though it will take sides sharply when the election occurs. As a whole, however, in its eyes all is extremely well with the Republic in this best of all possible worlds, and there is no reason why any and every patriot should not sleep soundly, provided the tariff is very high and the communists are properly squelched. This newspaper represents its owners' viewpoint to a T; one must know it and them really to understand democracy in Philadelphia.

As far as Bernarr Macfadden's Daily News, with its 200,000 circulation, it is not sufficient to say that it is like the general run of tabloids. There is a complication here in that ex-Senator William S. Vare, the boss of Philadelphia, owns 49 per cent of the stock—no doubt an extremely advantageous business arrangement, which can, however, hardly be said to leave the Daily News free to serve the cause of good government. The rise of the Daily News has been remarkable in its rapidity; its advertising is increasing while the other dailies are losing—Mr. Vare is, of course, able to influence the insertion of a good many advertisements, especially legal ones. Three years ago when it was losing \$350,000 a year it was offered for sale. To-day it is believed to be earning \$250,000 or more annually.

There remains in this cabbage patch the three Cyrus H. K. Curtis dailies, and when we come to them we reach the nub of the Philadelphia situation and its most serious aspect. At the beginning of last March, Mr. Curtis suddenly purchased the 103-year-old Inquirer, together with land and buildings, from the Elverson heirs, for a sum variously put at \$18,000,000 and \$20,000,000. It is an open secret that the deal was engineered by John C. Martin, the husband of Mrs. Curtis's daughter by her first husband, who is now the real executive of the four dailies



Mr. Curtis owns (the fourth being the New York Evening Post). Mr. Curtis had been in Florida; he was informed of the deal on his return, made an immediate inspection of the property, and the transaction was completed. The Inquirer has, however, been allowed to live—when Mr. Curtis purchased the Press and the North American he immediately destroyed those dailies and with ruthless cruelty turned their staffs out into the street with only a day or two's notice. Curiously enough, however, the policy has been to conceal the change as much as possible—the April 1 statement of ownership and circulation of the Inquirer being "buried" so far back in the paper that it even escaped the notice of some of the editors. The masthead of the daily is also not indicative of the Curtis ownership.

The Inquirer, which in 1840 startled the newspaper world by entirely new departure in journalism, the purchase of the American rights for exclusive publication of "Barnaby Rudge" and "Master Humphrey's Clock" by a then rising young English author, Charles Dickens, had long been the Philadelphia Republican's Bible, aggressive in its attacks upon all who refused to worship at the Republican shrine. It was naturally extremely useful to the machine, over which it exercised a great influence; the machine had to be pretty rotten to come in for criticism at the hands of the Inquirer. As a hidebound party organ it had, in other words, no superior, and when it came to the tariff it gladly did the bidding of the membership of the Republican Club and the Manufacturers' Association. In brief, the Inquirer has stood for all the economic and imperialistic policies of the Republicans and is the most ardent advocate of the status quo that the most reactionary conservative could possibly desire.

None the less, its passage into the hands of Mr. Martin—for that is what it comes down to—is ominous. Should anything happen to the Record that gentleman will dominate the morning field of Philadelphia; as it is he reaches approximately 600,000 purchasers every week day and about 1,000,000 on Sundays. This already so closely approximates a monopoly as to make it well worth while to get some idea of what Mr. Martin is after. That is not easy to define. It is, however, clear that he is extremely ambitious and that Mr. Curtis, who will be 80 years old on June 15, is more and more leaving matters in his stepson-in-law's hands.

It is also apparent that Mr. Martin is by no means hostile to the brood of politicians; during the recent primary the Curtis papers sat squarely on the fence, refusing to notice editorially one of the most exciting campaigns in the history of the State. But the Inquirer's editorial page had plenty of space for such thrilling subjects as Clean-Up Week, Dandelion Pickers Escape Fines, Landing the Heroism of Motherhood, and Locust Plague Grows Worse in Egypt—all safe and sane and certain to offend no reader's sensibilities. In newspaper circles it is the belief that Mr. Martin has none of such principles as have guided Mr. Curtis in his journalistic ventures, and there is a great desire for more light upon his relations with the various groups of Philadelphia politicians. Certain it is that under Mr. Martin there will be nothing done to retrieve Mr. Curtis's own mistakes.

That gentleman has never even approached the success in the daily field which he has achieved with the Saturday Evening Post and the Ladies' Home Journal. He has not known how to succeed. He long tried to make a national newspaper out of the Ledger but entirely failed, probably because he never really visioned what a national daily ought to be. There is nothing about the New York Evening Post, for example, to indicate that either Mr. Martin or Mr. Curtis can build a newspaper capable of making a profound impress upon the metropolis. Their editorial pages are never strong or brilliant or given to leadership. They economize in editorial salaries in accordance with the new trend, which declares that the daily should not lead or seek to impose its beliefs upon others, but that it should be merely a reflection of our swift, superficial, pleasure-loving, jazz age. Their editorial pages will continue to reflect the views of the rich, prosperous, and contented, and of those who profit by special privilege, who believe that the Government should go into special tariff partnership with every manufacturer who is too inefficient to make money or is dissatisfied with the rate of his profit. Finally, if the columns of their dailies are clean and carry only worthy advertising, they are not wholly free from domination by the large advertisers. They will continue to be class organs—the mouthpieces of the class with which Mr. Martin and Mr. Curtis come daily into contact.

What hope, under these circumstances, can there be for an enlightened, independent, liberal public in Philadelphia? What hope, outside of the Record, that there will be a sympathetic interpretation of the aspirations and desires of the great mass of Americans? What hope that there will be a determined effort to allay the growing popular discontent by frontal attacks upon the evils of our social and economic life? These men are far too rich to look for any such leadership; millions roll in on them constantly. Mr. Curtis himself drags the people of Philadelphia not merely by the deadly conservatism and intellectual mediocrity of his great magazines and their special appeal to Babbitttry, but by the magnitude of his public gifts. Where George W. Childs, the former owner of the Public Ledger, was accounted a great philanthropist when he bestowed checks for \$1,000 or \$5,000, Mr. Curtis's generosity is evidenced by many millions. Business Philadelphia admires him pro-

foundly, despite his serious intellectual limitations, because business men everywhere worship material success, and Mr. Curtis's material success is surely a wonder of the business world. But to the development of the soul of America he has contributed nothing. Every thoughtful American must look with anxiety upon a situation in which Mr. Curtis's heirs will dominate, or nearly dominate, the mentality of the historic City of Brotherly Love and the sources of its news—and should aid as best he can the fight of the Record against that domination.

#### PROHIBITION ENFORCEMENT—INDUSTRIAL ALCOHOL

Mr. COPELAND. Mr. President, I ask leave to have inserted in the RECORD an article entitled "Industry Brushed Aside," from Industrial and Engineering Chemistry, issue of June 1, 1930.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Industrial and Engineering Chemistry, June 1, 1930]

#### INDUSTRY BRUSHED ASIDE

The Senate, noted for its disinclination to support the policies of the President, chose H. R. 8574, known as the Williamson bill, "to transfer to the Attorney General certain functions in the administration of the national prohibition act, to create a bureau of prohibition in the Department of Justice, and for other purposes," as an occasion to reverse its attitude toward the administration. The bill, as reported from the Committee on the Judiciary, was that received from the House of Representatives with but few slight amendments and was passed without a record vote. The House accepted the amendments without conference and the bill is expected to become law, effective July 1, 1930.

It is now more than a year since certain authorized representatives of science and industry sought an interview with the President of the United States for the purpose of submitting their views as to what might be done in the interests of enforcement of prohibition without undue interference with legitimate industry along lines which had been enunciated in the inaugural address. The President was seemingly unwilling to meet this small committee. Since that time consistent efforts have been made to lay before the Attorney General and congressional committees that side of the question particularly involving science and industry. The so-called Williamson bill, while regarded by some as legislation desired by the departments, particularly the Department of Justice, is nevertheless well known to be strictly an administration measure. It has had the support of those who have believed that enforcement has been difficult because of alleged poor administration in the Treasury Department and of those who feel that whatever is wanted to perfect enforcement should be granted, in the belief that such efforts will only lead to earlier modification or repeal. Some "drys" have opposed it, holding that progress has been made and that too frequent changes in the plan of enforcement are bad. The features which have been interpreted by industry as leading to dual control and the requirement for legitimate industry to deal in large measure with a department whose chief function it is to prosecute law violators, have been opposed by industry. Following the statements made by the Attorney General before the committees in the House, the representatives of science and industry offered amendments before a considerate Subcommittee on the Judiciary in the Senate designed to give the Department of Justice clearly what its head had said he sought. However, as the Senator from New York, Mr. COPELAND, remarked in the Senate debate: "Mr. President, like old Sisyphus trying to roll the stone to the top of the mountain, to attempt to modify the bill is a useless undertaking. It can not be done. We might just as well sit down and accept what is turned out to us in capsules, given to us, and we are told to take."

The effort to have the points made by industry thoroughly considered resulted in one or two advantages. Whereas originally no permit would be granted, renewed, or amended within 10 days after the application had been filed with the Attorney General, this basic delay was modified by the House committee to apply only to renewals and amendments to extend for more than 90 days. A certain amount of educational work has been accomplished, and the debate in the Senate put into the record repeatedly the interpretation and intent of the bill which, though not expressed in the law, will be exceedingly valuable should any of these matters find themselves eventually in the courts. Those in charge of the measure indicated that it is the intent to leave the control and issuance of permits in the Treasury Department and not to have the Attorney General interfere in any way with lawful operations. It is expected that he shall only exercise his power of discretion regarding permits, their renewal and amendment, when he has facts indicating violations or other legitimate grounds which should lead to withholding the permit or the institution of revocation proceedings. It is difficult to understand why the friends of the measure declined to use perfectly clear language in this regard. Again quoting the Senator from New York, "To me it is passing strange that men who are willing to read into the law a definite meaning should be unwilling to write that meaning into the law that all who read in the future may know exactly what the law means."

While it has no part in the matter under discussion, nevertheless there was interjected into the debate, and then offered as an amendment,



language substantially identical with that used when the Sirovich bill providing for the discontinuance of toxic denaturants came before the Senate. It will be recalled that Congressman SIROVICH wished to define denaturing materials to mean only pyridine, malachite green, or diethyl phthalate, which as is well known offer no bar whatever to criminal manipulation and consequently increased diversion of industrial alcohol, which could only lead to serious embarrassment to the legitimate industry. This measure had been defeated in the House by a vote of 5 to 1, and the amendment was lost in the Senate, but it indicates how necessary it is for technical men familiar with the situation to continue their work of education. As is well known, research persists in an effort to find satisfactory nontoxic denaturants, and progress has been recorded. But if the permissive features of the law are to be equally enforced with the prohibitive provisions, nothing must be done to weaken the position of denatured alcohol.

While industrial alcohol denatured under governmental formulas is frequently charged with having been diverted to beverage purposes, with resultant injury to lawless drinkers, it is worthy of note that official investigations have shown the product involved in many such casualties to have been either natural or synthetic methanol. The production, distribution, and use of these solvents are not subject to any control whatsoever under the national prohibition act.

We believe that the interests of industry have been sacrificed in the present situation for well-known political reasons. We very much hope we are wrong in our views with respect to the increasing difficulties which industry must learn to live with under the new arrangement. Industry always must live with the conditions created for it, and fortunately its adaptability so far has carried it through many a perplexing situation.

After July 1 enforcement will be centered in the Department of Justice exactly as the President and the Attorney General have wished. Surely there can be no alibis and excuses. Since the Attorney General and Secretary of the Treasury are jointly to prescribe the regulations, we feel that industry through its representatives must be more active than ever in lending a genuinely helpful hand and at the same time thinking through all proposals both from the viewpoint of enforcement and of the permissive features of the law. Regardless of how hampered or restricted legitimate industry may find itself, it must go on, and we predict that there will be no sulking, no lack of cooperation, but an earnest effort to make the best of what is presented, leaving others to interpret the results.

#### WAR-TIME RANK FOR RETIRED AND FORMER ARMY OFFICERS

The PRESIDING OFFICER (Mr. FESS in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 465) to give war-time rank to retired officers and former officers of the United States Army, which were, on page 1, line 3, after the word "Army," to insert a comma and "Navy, Marine Corps, and/or Coast Guard"; on the same page, line 9, after the word "Army," to insert "Navy, Marine Corps, and/or Coast Guard"; on page 2, line 9, after the word "Army," to insert a comma and "Navy, Marine Corps, and/or Coast Guard"; and on page 2, line 10, after the word "Military," to insert "and/or Naval."

Amend the title so as to read: "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States."

Mr. REED. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

#### TENNESSEE RIVER BRIDGE NEAR CHATTANOOGA, TENN.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 4157) to extend the times for commencing and completing a bridge across the Tennessee River at or near Chattanooga, Hamilton County, Tenn., which was, on page 1, line 9, to strike out "the date of approval hereof" and insert "March 2, 1930."

Mr. GEORGE. On behalf of the junior Senator from Tennessee [Mr. BROCK], I move that the Senate concur in the amendment of the House.

The motion was agreed to.

#### EXECUTIVE MESSAGES AND APPROVALS

Messages in writing were communicated to the Senate from the President of the United States by Mr. Latta, one of his secretaries, who also announced that the President approved and signed the following acts:

On June 11, 1930:

S. 3054. An act to increase the salaries of certain postmasters of the first class.

On June 12, 1930:

S. 517. An act for the relief of Arch L. Gregg; and

S. 3950. An act authorizing the establishment of a migratory bird refuge in the Cheyenne Bottoms, Barton County, Kans.

#### REVISION OF THE TARIFF—CONFERENCE REPORTS

The Senate resumed the consideration of the reports of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. NORRIS. Mr. President, we are nearing what I hope is the end of the tariff debate. From whatever standpoint we view the bill now before us I do not believe it can be defended. It represents protection run perfectly mad. It is conceived and written in the interest of victorious business organizations who are using their power, which they obtained by the practice, in my judgment, of many unfair and deceitful means, to put through the Congress one of the most selfish and indefensible tariff measures that has ever been considered by the American people. In my judgment, those who are behind it will see that they have used their own power to bring about their own destruction, because, after all, in the long run, assuming that all interested parties are unselfish and honest, a tariff bill which builds up a part of our people to the damage and injury of other parts of our people will bring its own ruin. Already big business itself is seeing the signs of depression and destruction which the probability of the passage of the bill brings before the entire civilized world.

It has been often said during the debate that this is the last tariff bill which will ever be considered in the way this tariff bill and all its predecessors have been considered. If that prophecy should prove to be true, some good would come out of the bill, even though in many other respects it brings hardship and depression.

Every student of political economy knows that in all our history there has never been a tariff bill considered and agreed to upon a scientific basis. For many years this fact has been apparent to all students of governments, and men regardless of party during the last 25 or 30 years have been giving consideration to some method by which we could relieve a tariff bill of some of its monstrosities, of some of the evils and logrolling methods which heretofore have always crept into the consideration of a tariff bill.

Congress had that thought in mind when it provided for a Tariff Commission, and while the Tariff Commission has done some good it has brought about many disappointments. In this bill, when we were considering that feature of it, the Senate adopted some amendments which would have gone further toward putting tariff consideration on a scientific basis, toward eliminating logrolling from its consideration, and banishing selfishness and partisanship, than had ever been accomplished before in the history of the United States. The regrettable thing is that the conferees on the part of the Senate have yielded; that they have gone back on every one of those propositions, either in whole or in part.

The Senate inserted an amendment in the bill providing for a people's counsel. The duty of the people's counsel was to be to represent the great bulk of consumers in the United States before the Tariff Commission. It is conceded, it must be conceded, that in matters pending before the Tariff Commission the great mass of the people are not represented. Big corporations and special interests, able to employ high-priced specialists and attorneys, always have the advantage; but the people are not represented. So in the Senate an amendment was put on the bill which provided, in brief, that there should be a people's counsel, whose duty it should be to appear before the Tariff Commission to represent the great consuming public, the uncounted millions of American citizens who never before have been represented before that body. That amendment conferred authority on the people's counsel, upon his own motion, representing the public, to initiate matters before the Tariff Commission, and it provided that when questions as to tariff rates were brought before that commission by interested parties, usually by large, domineering corporations, it should be the duty of the people's counsel to appear and defend the rights of consuming Americans. The conferees, however, have receded on that amendment; it is now out of the bill; it has "gone where the woodbine twineth." In eliminating that amendment, the conferees on the part of the Senate have surrendered one of the most important fundamental principles ever sought to be incorporated in a tariff bill.

The Senate also inserted another amendment in the bill, which, if adopted, would eliminate logrolling in the making of tariff laws. Every student who has given any consideration to the methods heretofore employed in the House and in the Senate in the consideration of tariff bills realizes that one of the great evils involved is logrolling and the trading of votes. I do not mean that men openly trade and deal in their votes; I am not



charging anyone with corruption; but it is natural when Congress is considering a tariff bill embracing thousands of items and one locality wants a rate—perhaps an inordinate rate—upon some product that the representative of that locality, either in the House or in the Senate, in order to secure that tariff rate for his people, will vote for dozens and dozens of other amendments providing for increased rates on other commodities; and so when the tariff bill is finally passed it embodies a conglomeration of rates brought together by such logrolling methods.

The Senate adopted an amendment to the bill—the so-called "coalition" put it on—providing that when the Tariff Commission, as proposed to be reorganized, should report, after a scientific investigation, as to what tariff rate ought to be imposed on a given article, it would not be in order, either in the Senate or in the House of Representatives, either to offer or consider an amendment affecting the rates in another schedule or on another item, thus shutting out completely the opportunity for logrolling, and confining the Senate and the other House to the consideration of a particular commodity or schedule.

It has been said that one Congress is not bound by the action of another Congress, and that such a law, if enacted, could be repealed. I have also heard it said by Members of Congress that the result desired could be attained by the adoption of a rule, but either House may change its rules. Senators must not forget that if this amendment, which was adopted by the Senate, were retained in the bill, it would be on the statute books as law; it would have to be signed by the President; it would be a part of the bill which the President would sign; and the result would be that the offering of such an amendment would be a violation of the law, would be contrary to law, and neither the Senate nor the House of Representatives by any rule can violate a law of the land. It is true Congress could repeal the law; but that would require the affirmative vote of the Senate and the affirmative vote of the House of Representatives and then the signature of the President; in other words, such a law would be the same as any other law.

You will remember, Mr. President, the discussion on that amendment. Before it was offered, and with the intention of offering it afterwards, I carefully interrogated various Senators, the leaders, and asked them, when they were discussing the bill, why such an amendment should not be adopted, and, without exception, they approved it; they are on record as approving it. When the amendment was formally offered it was adopted by a large majority. That amendment also has disappeared from the bill; the conferees have surrendered it.

If there be anybody interested in logrolling in the making of a tariff bill, it is the great business corporations which make financial profit out of the tariff. They want extraordinarily high tariff rates; they want to levy tribute upon the consumers of the country away beyond righteousness and reason; they want logrolling; they are opposed to the scientific consideration of a tariff bill. They fear the adoption of such an amendment might bring about a scientific consideration of tariff questions, and so the conferees have surrendered that important amendment; it is not embraced in the conference report on the bill.

It seems to me that everyone who has ever given consideration to the tariff question must almost blush with shame when he thinks that the House and the Senate have turned down a proposition so fair and righteous as that embodied in the amendment to which I have referred; that the House and the Senate have refused to incorporate that kind of a proposition into the law; that the House and the Senate would go on record in favor of continuing logrolling and trading methods in the consideration of tariff bills.

In the Senate another amendment was adopted to the bill, an amendment which came about because of the fact that in the past our experience with the Tariff Commission has not been such as to give us a very high opinion of that body as organized and operating under existing law. We found that partisanship was entering into it; we found that the President of the United States, before he appointed a member of that commission, demanded that his resignation should be placed in the President's hands; we found that, through the domination and influence of the Chief Executive, the Tariff Commission was practically controlled and that, if it had not been for two or three members of the commission standing out against great odds, conditions would have been much worse than they actually were. We found, in other words, that partisanship was controlling the action of the Tariff Commission in matters where the rights, the happiness, and the prosperity of more than a hundred million people might be at stake; that the influence of some selfish corporations, demanding exorbitant and unreasonable, yea, almost criminal rates on their products, were able to control the action of that governmental commission in passing upon

the righteousness or the unrighteousness of tariff rates. So we provided in specific language by the amendment to which I refer that the Tariff Commission in considering a tariff rate should disregard partisanship; that it should act judicially and determine the questions before it, as a judge determines questions brought before his court. We went as far as we possibly could to let the members of the Tariff Commission know that when they are acting on behalf of the people of the United States they are occupying positions as dignified and as honorable as those of justices of the Supreme Court of the United States, and that they should be as honest and as unprejudiced as justices of the Supreme Court. We put the members of the Tariff Commission on as high a plane as that occupied by the Supreme Court. We said in so many words that in passing upon questions coming before them they must act like judges; that politicians and partisanship should be excluded from their deliberations and findings.

What happened to that just amendment? Who could object to it? It has gone; the Senate conferees have surrendered it; it is not in the bill. Who can defend that action on the part of the conferees? Is there any citizen of the United States when he realizes what has been done and what will be done if the House and the Senate shall approve the conference report who will not say to himself that the great National Legislature has put its approval upon the diabolical, unjust, and indefensible methods that have been pursued heretofore by the Tariff Commission? The people of the United States can rightfully say that Congress has refused to raise by positive enactment of law the Tariff Commission above the realm of petty politics. The conferees on the part of the Senate have yielded on that amendment; they have surrendered; the amendment is rejected; it is not in the bill.

Mr. President, another amendment was offered and agreed to in the Senate known as the antimonopoly amendment. At this point I ask unanimous consent, without reading, that that amendment may be inserted in the RECORD as part of my remarks.

The PRESIDING OFFICER (Mr. GLENN in the chair). Without objection, it is so ordered.

The amendment referred to is as follows:

SEC. 655. (1) That in effectuating the purpose of this act to encourage domestic industries, etc., by the imposition of duties upon imports from other countries it is also the purpose to protect domestic purchasers and consumers against the exaction of excessive or artificial prices in respect to any and all the articles, commodities, and things subject to such duties by the maintenance of full conditions of unrestrained competition among domestic producers and distributors. That in order to assure the maintenance of such conditions of competition any citizen of the United States or the people's counsel established in this act shall be entitled to file a complaint in the United States Customs Court alleging that such conditions of competition do not prevail with respect to the production, distribution, or sale of any such dutiable article or commodity and setting forth the facts and circumstances supporting the allegations in such complaint which shall be verified by the oath of the complainant or others.

(2) Upon the filing of such complaint the said court shall have jurisdiction to hear and determine the truth and merit of such complaint and shall immediately cause public notice to be given by publication in the Treasury Decisions of the Department of the Treasury and the Commerce Reports of the Department of Commerce to all persons and corporations or associations concerned in the domestic production, distribution, or sale of such article that it will hold a hearing on the questions of fact and law contained in such complaint upon a day to be named therein when relevant testimony and argument may be offered to determine whether such full conditions of domestic competition prevail and to what extent if any price-fixing agreements or practices, or production-limiting agreements or practices obtain in the production, distribution, or sale of such article or commodity; and following such testimony and hearing the said court shall report its findings to the President.

(3) That upon the receipt of such findings if it be shown thereby that the full conditions of competition contemplated by this act do not prevail with respect to the dutiable article, commodity, or thing described in such complaint then it shall be the duty of the President within one month to issue a proclamation suspending the imposition and collection of the duty or duties levied in this act upon such article, commodity, or thing and declaring such duty or duties inoperative until and unless it shall be established before such court, and such court shall make findings to the effect, that the full conditions of competition aforesaid do prevail and shall report such findings to the President who shall then proclaim a cessation of the suspension of such duty or duties. Such court shall have jurisdiction upon the filing of a petition by any domestic producer or other interested person to hear, determine, and make findings that full conditions of competition have been restored and do prevail.



(4) The said court shall be governed by the preponderance of the evidence in making its findings and shall have power to make reasonable rules and regulations to govern its procedure in such cases: *Provided*, That nothing herein and no proceeding brought hereunder shall be held to weaken or otherwise adversely affect the laws of the United States applicable to conspiracies in restraint of trade or the enforcement thereof.

Mr. NORRIS. Mr. President, the amendment provides that whenever an allegation shall be made before the United States Customs Court that any set of men or corporations enjoying the benefit of tariff rates on products produced by them have formed a monopoly, there shall be a hearing in the court and the court shall find whether those thus enjoying the special benefits of a protective tariff have entered into a combination in restraint of trade. It is true that if they have entered into such combination they may be prosecuted under existing law, but that procedure has been found unsatisfactory in large degree. The amendment, however, provided a remedy. If that amendment were a part of the law and a monopoly or combination came about on account of the tariff, after the court had heard the evidence, conducted a trial, so to speak, and rendered a finding that such was the case, then it would become the duty of the President under the amendment by proclamation to put the article or articles in question upon the free list, to take away the tariff barrier, and let the combination or monopoly confront world competition. Who can defend the action of the conferees in rejecting that amendment? Who wants to see huge monopolies built up? And yet the building up of such monopolies is one of the dangers of a protective tariff. Protectionist as I am, I have always admitted that if we made a tariff rate too high it enabled monopolies and combinations to form on this side of the tariff wall, to the detriment of the consumers who had to buy their product.

This amendment would have relieved that situation. Whenever the tariff enabled any man or corporation or set of men or corporations to build up a monopoly, after they had had their day in court, after they had had a judicial trial, after there had been a judicial determination that they were guilty, the benefit of the tariff would have been taken away and it would have remained away until they afterwards came into court and made a proper showing, and another trial was had, and upon that trial the court determined that the monopoly was dissolved, that these men were good, that they had ceased to violate the laws of their country. Then the tariff would have been restored.

Mr. SIMMONS. Mr. President, may I interrupt the Senator?

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. I want to say to the Senator that I concur with him that that was one of the most salutary provisions carried in the bill as it passed the Senate. Its effect would have been to remedy many of the evils of excessive tariff rates. That amendment, fraught with so much benefit and protection to the people of this country, received practically no consideration from the conferees. In fact, it was, so to speak, practically laughed out of court when it was brought up.

Mr. NORRIS. I thank the Senator from North Carolina for his statement. The men who laugh that kind of an amendment out of court may be sailing high to-day; but, Mr. President, by eliminating that amendment and these other amendments that I have mentioned they can not continue to trample roughshod over the American people for an indefinite period. There will come a time when the people will rise up in their might and smite their servants who have been so falsely representing them in the Halls of Congress.

Let me give you an illustration of this kind of a combination. Let us take up an actual occurrence of a monopoly.

I have here on my desk a letter from W. T. Rawleigh, of Freeport, Ill. He sends me the replies that he received in response to his request for bids on aspirin, granular. We all know that the W. T. Rawleigh Co. handles a large amount of various kinds of medicines. He wrote a letter to six manufacturers—I think all the manufacturers in the United States—of aspirin, granular, and asked them for bids. The letter was the same to every one of them. He asked them for bids upon a certain amount of this aspirin. I have here photostatic copies of the replies of these six corporations. I shall not weary the Senate or encumber the RECORD by putting them all into the RECORD, but I want to give a part of each letter replying to that invitation for bids.

All these letters were written on the same day, the 28th day of April, 1930; so this is nothing old. It happened since we have had the tariff bill before the Senate.

One of these corporations was in Chicago, Ill.; one in St. Louis, Mo.; one in New York City; one in Midland, Mich.; one in Brooklyn, N. Y.; and one in Rahway, N. J. Mr. Rawleigh sent this letter on the same day to every one of these corporations. They all answered it on the same day.

Here is a letter from the Mallinckrodt Chemical Works, of St. Louis, dated April 28, 1930. It is addressed to the W. T. Rawleigh Co. and says:

Replying to your inquiry April 26—

Just two days before, on April 26, he wrote to all these people—

we quote for prompt acceptance and shipment, freight equalized with Chicago, 200-pound barrels—

Of this chemical product—

at 85 cents a pound.

On the same day the Heyden Chemical Corporation, of New York City, replying to the same letter, wrote the W. T. Rawleigh Co. as follows:

In response to your inquiry of April 26, we are pleased to offer you—

The same product—

10,000 pounds, at 85 cents per pound.

On the same day the Dow Chemical Co., of Midland, Mich., replying to the same letter of the W. T. Rawleigh Co., made a bid on 10,000 pounds. The other said "200-pound barrels," just the same. They say:

We offer this product at 85 cents per pound.

On the same day comes the New York Quinine & Chemical Works and says:

In compliance with your request of the 26th instant, we are pleased to quote 10,000 pounds acetylsalicylic acid, U. S. P., granular, 85 cents per pound.

The same day comes a letter from Merck & Co. They say:

In compliance with your request of April 26, we are pleased to quote for prompt shipment, subject to change in price and prior sale, 10,000 pounds acid acetylsalicylic, U. S. P., granular (aspirin), 200-pound barrels, 85 cents a pound.

There they are, all six of them, written on the same day, from Chicago, St. Louis, New York, Brooklyn, Midland, Mich., and Rahway, N. J. Does anybody think that was an accident? Is there any Senator here who believes for a moment that that came about by accident? Nobody doubts the combination. There was a large order, one that ought to have been competed for to the very last penny; and yet from all over the United States, from every factory in the United States, comes the same identical answer—"85 cents a pound."

Now let us see about this product.

The law we want to consider is the existing law. I am trying to illustrate how combinations come about under the tariff. If we summoned these men, I suppose they would try to make us believe that it was just an accident, a coincidence; but there is a tariff of 7 cents a pound on that product, and in addition to the 7 cents a pound there is a tariff of 45 per cent ad valorem. There is the secret. There we have it in a nutshell—that combination built up under the tariff laws that Congress has passed, that the President has signed, and the American people from ocean to ocean are paying a price fixed by a monopoly.

Do we want to defend it? Do we believe that is right? We put on the bill an amendment that would have made it possible to bring those men into court and have a trial. There would have been no ex parte matter about it. They would all have been notified. They would all have been brought into court, and the court would have found whether there was a monopoly and a combination; and if the court found that there was a monopoly—and on the face of the record it could not have found anything else—what would the judgment have been? The judgment would have been that aspirin, granular, would have gone on the free list as soon as the President issued his proclamation. That combination would have had to compete with the world, instead of having combined in one little group everybody in the business, and making the people of the United States pay the penalty.

Mr. President, do the people of the United States want such things to exist? Can any Senator go home to his people and tell them this condition and not expect a constituent to ask, "Why did you not remedy it if you had a chance? Why is Congress permitting these great combinations of wealth to bear down upon the great consuming public of this country? Why is Congress throwing aside all that will bring about an exposure of this kind of conduct, and bring about a remedy?"

Mr. McMASTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from South Dakota?

Mr. NORRIS. I yield.

Mr. McMASTER. As to the amendment which the Senator from Nebraska offered in reference to monopolies, and which



was rejected by the conference committee, I wish to say that the principles enunciated in regard to these subjects by John Sherman—the greatest student of trust problems and one of the greatest students of the tariff problem that this country has ever produced—were for many years incorporated in the Republican platforms at the party conventions. This is what John Sherman said in regard to the subject which the Senator now is discussing:

If the combination—

Meaning a trust or a monopoly—

is aided by our tariff laws, they should be promptly changed, and, if necessary, equal competition with all the world should be invited in the monopolized article.

Mr. NORRIS. I thank the Senator. That is good doctrine, told in much better language than I have been able to tell it; but it is the same idea. It is the same thing. I contend that no patriotic citizen, rich or poor, high or low, can favor these monopolies or believe in them.

We have no right, as the trustees of the American people, to reject laws that will aid in the abolishment of such unholy, such wicked combinations—combinations that grow up because of the favor of our laws. Whenever, in a protective tariff bill, we raise rates so high as to enable men to do this, then monopoly is formed.

A protectionist, according to my definition, is just as anxious to prevent a tariff from being too high as he is to prevent a tariff from being too low. The danger comes when we go to either extreme. This bill is filled with extremes. This bill has gone further than any other bill in history to enable corporations and monopolies to build up huge trusts, to the detriment and at the expense of the law-abiding citizens of the country.

Now I want to talk just a moment about agriculture.

Mr. SIMMONS. Mr. President, will the Senator yield?

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. Before the Senator leaves the subject he was just discussing, namely, as to the same prices being quoted by half a dozen or more dealers in chemical products, the Senator correctly stated that the duty on such products is 7 cents a pound plus 45 per cent ad valorem. Does the Senator realize what 7 cents a pound for an article sold by the ton or the hundred pounds means? It means \$140 a ton, does it not?

Mr. NORRIS. Yes.

Mr. SIMMONS. Forty-five per cent would be something like \$32 a ton more.

Mr. NORRIS. Yes.

Mr. SIMMONS. There would be more than \$150 a ton protection for such a product. Would the Senator wonder at the absolute success of an effort, if made, to establish a nationwide trust, adding the amount of the tariff to the prices of the products, and extorting from the people of this country enormous profits and imposing upon them huge burdens?

Mr. NORRIS. I thank the Senator. He reminds me that I ought to say one more word before leaving the subject of monopolies.

Who pays the enormous amount of money which enables the millionaire corporations to ply their unjust trade with unreasonable, unconscionable profits? Who is it? Who buys aspirin? The same question applies to many other chemicals. I am giving an illustration only.

It is the sick, the poor, who should receive consideration, but we are going to levy upon the sick bed of the poor tributes to be paid to these enormous corporations in order that they may contribute more to the campaign funds and get their favored Senators, their favored Representatives, and their favored Presidents elected to office. We are taxing the weak, those who are unable to defend themselves.

This tax means but little to the rich man. It will not interfere with his prosperity, but it means a great deal to the poor man. It means something to the man who must pay the medical bill for his sick wife, his sick child, or his dying mother. It means something to those people who have to pay it. We are taking the money out of their pockets and giving it to monopoly. Yet this amendment is rejected by the conferees on the part of the Senate.

Mr. President, I started to say a few words about agriculture, and I am not going to detain the Senate long on that subject, because I have so often gone over it in the Senate.

Ever since the war we have been trying to relieve agriculture. We were laughed at at first, we were scoffed at, and it was said there was nothing to our claim, that agriculture was prospering, that the farmer had gotten a square deal. For a year or two the debate and the discussion went on and we got no relief. It

began to dawn on the people, after a while, that we were telling the truth, that the farmer had not been treated fairly under our laws, that he was bearing a burden under a high protective tariff law which was borne by no other class of people.

We commenced to try to find remedies, and finally the country became unanimous; everybody agreed that agriculture was distressed, that it had not had a square deal, that we ought to do something in the way of legislation to give it a square deal.

Both political parties promised they would do that, but every remedy we have brought forward has been defeated, either by presidential veto or by presidential influence. Finally we came to the measure which is now on the statute books, a measure for which everybody voted, because every student conceded that there was a possibility of it doing some good. But all those who had tried to solve the question in a scientific manner knew that that bill would not meet the emergency. But in the hope that it might help some, none of us who were trying to get through legislation stood in the way of its passage. We failed to get what we thought would be good, but we said, "If you can do a little good, we will help you as far as we can."

Everybody knows now that in the matter of the great staple farm products, if we are going to give relief to the millions of American farmers, we must take care of the surplus. We tried it through several bills, and I think they would have worked. They were emergency propositions. But, as I said before, none of them ever was enacted into law.

So, when we had the farm bill before us, we tried another plan. We tried the so-called debenture plan—and, so far as I know, no student of the subject has ever denied that the debenture would work. It has been said it was wrong in principle; it has been opposed by many honest men from honest conviction; but it was so framed, after it was defeated in connection with the farm bill and offered again on the tariff bill and agreed to by the Senate by quite a good margin, that it took the objections which had been made to it before completely off the board.

That measure provided that when agricultural articles were exported the exporter should be entitled to a certificate for the amount of the products he exported, and that that certificate should be good in paying import duties 100 cents on the dollar. Thus it tended to equalize the tariff, which was the only object of it. Here was a tariff benefiting everybody but the farmer. For instance, on wheat there was a big tariff rate—42 or 43 cents—under the law, but it did the raiser of wheat no good; it would not have done him any good if it had been \$5 a bushel instead of 42 cents. He had always a product to be sent abroad, which he had to sell upon the markets of the world; and every student of political economy knows that the export price fixes the price of the domestic product.

We undertook to give the farmer only half of the benefit. The farmer, or those acting in his interest, asked for only one-half of the tariff. The measure provided that when wheat was exported a certificate should be given showing how many bushels were exported, and that certificate, at half of the tariff rate on wheat, should be good in paying the tariff duties on imports, when anything was imported.

It was said when we first had it adopted in connection with the farm bill, "There will be a combination formed. These importers will combine, and they will cut down these certificates, and you will not get anywhere near their face value."

When we proposed the measure in the Senate we provided that at all times the Secretary of the Treasury should redeem those certificates at 98 cents on the dollar out of any money in the Treasury which came into the Treasury through the levying of a tariff upon imports. It would have resulted in paying money out of the Treasury directly, although the result in dollars and cents would be just the same; but it was confined to the tariff. We said, "Here is a tariff. Let it apply to everybody alike. Here is a class of people who are getting no benefit of it. We will take some of the money that comes in, which benefits the manufacturer, for instance, and give it to the fellow who gets no benefit from the tariff, but who has to bear its burden just the same as everybody else."

I think it was just, I think it was fair. The Senate thought it was fair. We put it on the bill. It is not on now. I presume it was laughed out of court in the secret confines of the room where the Senate conferees surrendered to the opposition.

Mr. President, we can not defend this bill on the ground that it is helping the farmer. The great benefit that was coming to the farmer has been cast aside. It is said, "Oh, we have raised the tariff on a lot of agricultural products." So you have. All during the debate it seemed queer to me that somebody in favor of the bill did not offer an amendment to increase the tariff on wheat and hogs and barley. It would have been just as reason-



able as many of the amendments which have been added to the bill.

It was said, "There is a greater increase on agricultural products than in any other schedule." Let us see. What do you call agricultural products? Pineapples are agricultural products; Brazil nuts are agricultural products; bent grass seed is an agricultural product. Who buys them? There is a tariff of 40 cents a pound on the latter article. Mushrooms are agricultural products. Most of them are produced in the great State of Pennsylvania. Do any of these tariffs help the farmer? They all go to make up the terrible increase, the terrible tariff, that is levied for the benefit of agriculture.

It is said hides bear a tariff. We first had a vote on hides standing alone. I voted for that tariff. I had some doubts about it when I did so, because I believed that in one way or another the great packers would have been able to get most of the benefit, but I wanted to give the benefit of every doubt to the farmer. That was defeated.

Later on it came in another form, when a duty on hides and also on shoes, on harness, on saddles, on everything made of leather was proposed.

It was said by some of them that the duties on leather and leather articles were only compensatory. As a matter of fact, they were away beyond being compensatory. In order to get even that possibility of a benefit to the farmer we had to agree to tax his shoes and the shoes of his wife and children. We had to agree to tax every strap used on the farm, every bit of harness that the farmer uses, every saddle and all other leather goods. When all these things were put together to be taxed, the amendment was agreed to. That is done in the name of the farmer. He is being taxed down to earth, and it is claimed it is done for his benefit.

There is a tariff on bran. Who buys and sells bran? The farmer buys it and the farmer sells it. Nobody else to any particular extent handles it. So he takes that out of one pocket and puts it into another.

There is a tariff on figs and lemons. They are agricultural products. That is all charged up to the farmer. Fresh winter vegetables: The farmer does not get many of them. He can not afford, under existing conditions, to buy them, but in considering the tariff bill we charge them to the American farmer.

Clothespins: There is a tariff on clothespins, and it is placed there in the name of the American farmer, advocated as such on the floor of the Senate. It was said by the Senator who offered the amendment that the farmer grows the tree out of which clothespins are made, and therefore in the name of the farmer we should make him pay a little more for his clothespins. Every wash woman, every humble home, every man and his wife starting out in life who see the little children coming along, all have to contribute because of the higher price charged for clothespins in order to help the American farmer. God save the farmer from his pretended friends!

Lumber: Every man who builds a house, who shingles his house, every man who builds a cornerib, a hogpen, a chicken house, has a tariff levied upon the lumber he uses.

Cement: Cement is something coming into almost universal use. The farmer, according to his business, perhaps uses more of it than any other class of people in the United States, outside of the building trade, and yet cement is taxed. He can not put down a floor in his hogpen or in his cattle stalls without being compelled to pay a tribute to the Cement Trust.

Glass: Every man who builds a home, whether on the farm or in the city, every man who is trying to pay off the mortgage on his home, has a tribute levied on him for the glass through which he looks to see the cement-paved street on the outside which likewise has been levied upon for a tribute. The rate on window glass is never less than 50 per cent ad valorem. There is no man, young or old, in the country or in the city, who is struggling to get a home for himself and his family, who does not have this unholy tribute levied upon his exertions and upon his efforts.

The farmer can not buy a screw driver without paying a tribute. If he is in the dairy business, if he sells his milk, he has to pay a 45 per cent ad valorem tax on the cans that carry the milk to market.

Paints: Who uses as much paint as the farmer? There is no place on earth where paints are so necessary to keep up appearances and conditions and save expense in the end as on the farm. Every plow, every harrow, every hen coop, every hogpen, every shed, every wagon, every drill has to be painted. The farmer never daubs a drop of paint upon any of these implements without paying tribute because of the provisions of the tariff law.

All those who use aluminum cooking utensils have to pay tribute to Mr. Mellon and the Aluminum Co. of America. Aluminum is not so highly taxed, I will say in justice to the conferees, under the bill as it is under existing law. We re-

duced the rate on the floor of the Senate, and when it got into conference immediately the conferees did not yield in full, but they yielded in part and raised the rates over what they were in the bill as it passed the Senate. In every humble home in the land where a young man and his bride starting out to make their way in life are opening up their new home, there is a tribute levied for the benefit of the Aluminum Trust of America headed by the Secretary of the Treasury.

Handkerchiefs: There is not a boy or girl going to school anywhere but has to pay an increased price for handkerchiefs, in some cases over 200 per cent ad valorem, and yet it is said that this is a bill for the benefit of all the people and particularly of the farmer.

Parasols and umbrellas are taxed, and yet the importations are less than 1 per cent of the production in America. We can meet the world on some of these articles, and this is one of them.

Rayon is something that is in common use in every home, in the clothing of every child and every woman, and almost of every boy and of every man. Rayon is taxed for the benefit of corporations doing business in the United States.

Even medicine is taxed. The sick and the dying are taxed for the medicine that they have to take, and the tax, according to the Tariff Commission in a letter to me, is from 7 cents a pound and 45 cents ad valorem on up.

Surgical instruments: We can compete with the world in the manufacture of surgical instruments, but they are taxed 55 per cent. Every hospital, every physician, everyone engaged in the great army to relieve human suffering, is penalized by the tariff bill. Surgical instruments are taxed, and that tax is paid by the man with a broken leg, the woman who has to be operated on, the child with a broken arm. We tax the medicines these people have to have, and then we tax the surgical instruments which must be used to save their lives.

Textile machinery: Even those engaged in the manufacture of cotton and other goods have to pay 40 per cent tax on their machinery if they import it. The exports of textile machinery are three times the amount of imports.

Electrical appliances which go into every home almost without exception are taxed 35 per cent and the American producers manufacture sixty-eight times as much as the importations amount to. There is no excuse for it. There is no reason why the American people should be thus unjustly and wickedly taxed.

If anyone buys a straw hat he will find in some cases an increase in the tariff under this bill of over 100 per cent.

The little girl who plays with a doll is taxed. I do not know what the experience is of those who now have to buy dolls. It has been a good many years since I bought dolls, but when I did buy them I had to buy them almost by the dozen. We had at our house a "factory" engaged, as it seemed to me in those days, in the destruction of dolls, and they had to be replenished. Under this bill every man who has a little girl who wants a doll is penalized. The tariff varies, but in the case of some dolls the increase is 90 per cent. It taxes the poor. That tax does not hurt the millionaire and none of these taxes do. That tax does not hurt the man with an income of \$100,000. It does not hurt the bondholder and the monopolist. It grinds the poor down to earth, and I am wondering why God's suffering poor do not rise up in their might and rebel against such unjust treatment at the hands of their public servants.

Laces: It is said that we could get along without laces, but no one wants his little girl to be deprived of lace, and the wife insists upon having it. She would go hungry rather than have her little girl dressed in such a way that she could not meet other girls in the community. What do we have to pay for lace? There is a 90 per cent tariff put upon lace. Again, that would not hurt the millionaire. That will not hurt John D. Rockefeller or men of that class, but it grinds down the poor, and it is no answer to say, "You need not buy lace; go without it."

Carbide is taxed 1 cent a pound. Who uses carbide? The farmers of the country use 60 per cent of it. Where they are living out beyond the reach of the electric lines about the only way they have to light their homes is with carbide, and yet we are levying a tribute on every one of those who live on the frontier, who are advancing the line of civilization, who are out beyond the comforts of life. Every one of them is being taxed for the light by which he reads his newspaper that gets to him perhaps when it is two or three days old.

That is the kind of a tariff bill we are asked to support by our votes. That is the kind of tariff bill the conferees have brought back to us. As representatives of the American people are we going to stand for it?

Mr. President, when the bill was in the Senate an amendment was offered on carillon bells. The kind we put on the free list are not manufactured in the United States, and never have



been, but under the old law they were taxed. In the advancing civilization carillon bells are being demanded more and more by colleges, churches, and religious and charitable institutions. We have comparatively few of them in America. They are very expensive, and so we adopted a helpful amendment in the Senate, but we did not get it without a fight. There was objection to it, but when we got through everybody came around to it. Everybody agreed that it would not throw a single man out of employment in the United States, and that those people who were objecting to it were not as a matter of fact manufacturing the carillon bells to which the amendment would apply. We provided, however, in very guarded language that the benefit of getting them in free from foreign countries should only apply to universities, colleges, and other educational institutions, to religious organizations, and to charitable institutions. In that form the amendment was adopted by the Senate. It is out of the bill now; the Senate conferees agreed that it be eliminated, I am told, without any attempt to defend it. It is gone now. Carillon bells will be taxed, I think, at a rate of 20 per cent.

What are carillon bells? When the discussion started I remember some Senator said, "This is something enjoyed only by the rich; let the rich pay for it." That was an honest viewpoint; I am not questioning it at all; but it was erroneous. Carillon bells give forth, I am told by musicians—and I have in my files letters from musicians of world-wide reputation congratulating me after this amendment had been agreed to—the finest music in the world, and when a carillon is installed it is an impossibility to prevent all the people within a radius of several miles hearing the music. The music is not for the enjoyment of the rich alone. God's suffering poor, the laboring man down in the trench digging the sewer, the sick girl or the sick wife suffering upon a bed of pain, a mile away, hear the music, the most beautiful and heavenly music ever made. But a tax has been imposed on carillon bells. Oh, it almost seems to me, Mr. President, that those who control this situation are moved by a malicious desire to pounce down upon suffering humanity and penalize it for enjoying some of the comforts and luxuries of life.

I have here a magazine called the American Motorist, in which is an article entitled "Like a Giant Harp in the Heavens," describing a set of carillon bells installed in a college at Mercersburg, Pa.

In the southern section of the beautiful Cumberland Valley—

Says this author—

along the Blue Ridge Mountains, lies the village of Mercersburg, known throughout the world as an educational center. In 1936 the Mercersburg Academy will celebrate the centenary of its birth. During the past 95 years this town has been outstanding because of its historical background and the beautiful campus that may be found there.

In 1926 there was completed at Mercersburg one of the most beautiful Gothic chapels in America. Compared with many of the larger chapels, noted architects have said that the Mercersburg chapel is a gem. In the tower of the spire one may find a carillon of 43 bells, the largest of which weighs  $3\frac{1}{2}$  tons and the smallest 12 pounds. The makers of these bells are Gillett & Johnston, of Croydon, England.

Such bells could not be bought in America. Although we have had on them a tariff of 40 per cent for seven years, no bells like these have ever been made in the United States despite that huge tariff. The author of the article continues:

This carillon is the first to have been installed in the State of Pennsylvania, and at the time it was placed at Mercersburg was one of the largest in this country. The pitch of the tenor or largest bell is A sharp and that of the smallest or treble is G—

And so on. It is a very interesting article. The author tells us that on Sundays, when sweet music is being played upon those bells, there are commonly 20,000 people around the city and the campus listening to the music. In this magazine is a picture of almost an endless line of automobiles extending away back on the hillsides, thousands of them, a mile or so away, judging from the picture, the occupants of those automobiles listening to the music. The author states that one, describing the music, said, "When we listen to that music we can not see the musician, we can not see the instrument which produces it, and it seems like music coming from heaven itself." In the article it is stated that the proper distance at which carillon music may best be heard is three-eighths of a mile, practically half a mile, from the building where the music joyfully peals forth in heavenly strains.

Why should our people of all classes, rich and poor alike, be denied this blessing, this beautiful music that leads men and women to think of higher things, that leads them heavenward? As the writer says, it seems like the music from heaven. Oh, you cruel and hard-hearted conferees, how can you find it in

your hearts to levy a tax on a musical instrument of this kind when no American citizens anywhere will ever get one single benefit on account of the tariff which is to be levied? Why are you going to deprive the people all over the country of the opportunity of enjoying such music, or if they may enjoy it why are you going to tax them for it?

The people of Lincoln, the beautiful capital city of the State of Nebraska, are building a great church for which they are trying to raise enough money to buy a set of carillon bells. The adoption of this conference report will make them pay several thousand dollars for their generosity in providing carillon bells, not in order that the church alone may have the benefit of the music, but in order that the entire city may enjoy it.

What good is to be accomplished by imposing a tax on carillons? I admit that this particular amendment did not have any money value that could be directly traced; it had to do with education, and that is what is being taxed. Those responsible for this bill are taxing religion; they are levying a tax on the American people on account of heavenly music, designed to fill the hearts of men, women, and children with higher ideals of life, to lead them on in charitable undertakings, to make better fathers and better mothers, to make better daughters and better sons, to bring affection and love to the fireside. An instrumentality of that kind is going to be taxed by this unholy bill. How can anyone stand for it?

Mr. President, when a set of carillon bells is installed in a city the music therefrom goes to everybody in that city. The Senate not long ago passed a bill—and it recently passed the House, and is now, I understand, in the hands of the President, if he has not already signed it—to erect a monument in Washington in memory of the late William Jennings Bryan. The memorial is going to be paid for by popular subscription, and I am told that those behind it want to install in the monument a set of carillon bells, something which the city of Washington does not now possess. Shall those people be taxed? Shall unholy tribute be levied upon them because they want to do something in memory of a great man for the good of all humanity? How can anyone be so hard-hearted? How can anyone work himself into such a feeling as to want to tyrannize over his fellow men, over little children, the sick, and the poor?

It does not seem possible, Mr. President, that such a thing could happen; and yet this is what we have before us. The conferees, in effect, in yielding on this amendment propose to tax the religion of Jesus Christ—all religions; they propose to tax education; they propose to tax culture; they propose to make it difficult and often impossible for the struggling poor to be comforted by the sweetest heavenly music the human ear has ever heard. That is what is being done here. I ask again, Mr. President, how can we do it? We have not only gone to the homes of the poor, we have not only gone to the firesides of the lowly and the destitute and made the necessities of life more expensive; we have not only added to the burdens of the American farmer and made him pay higher prices for practically everything he must buy, while not affording him relief as to the products he must sell; but by this bill we propose to levy tribute on the entire country for the benefit of monopoly, for the benefit of the rich, for the benefit of the trusts, for the benefit of the millionaire. Those supporting this bill are levying tribute upon all the poor, and, in addition to that, they seem to be so hard-hearted as to say, "We will not let God's poor listen to heavenly music; we will deny the laboring man after his daily struggle, when he is sitting by his fireside with his wife and children, the enjoyment of listening to the music of carillon bells that may be played on in an adjoining city. It is, it seems to me, cruelty personified.

Mr. President, I do not see how anybody can support the bill, and, if it shall be passed, I do not understand how any President, if he has a feeling of sympathy for the struggling people of America, for the churches, for educational institutions, can ever sign such a monstrosity.

Mr. REED. Mr. President, I expect to vote in favor of the conference report. I have no intention of discussing the particular rates embodied in the bill, but I want to give in general terms my reasons for voting as I shall.

I do not believe that since I came to the Senate eight years ago I have ever had so much difficulty in determining upon the proper course to follow in regard to any pending question. I have had analyses of the bill prepared for me by specialists from the Tariff Commission on each of the schedules involved. I have studied, to the best of my own ability, what has been done by the conferees; and I have spent most of the last three weeks in doing it.

When I left the country for the London Naval Conference last January, I knew the bill pretty intimately from work on the Finance Committee and on the floor, but what had been done since then I did not know; and it is only within a compara-



tively few hours that I have been able to decide how I shall cast my vote.

When the bill came from the House of Representatives a year ago, if it had been up for final passage in the form in which it left the House I should have voted against it, because I felt that both the industrial rates and the agricultural rates were too high, speaking generally. On the average, I thought them too high. The Finance Committee spent all of last summer in hard work upon the bill, and, in my judgment, very much improved it; and the bill as it came from the Finance Committee had marked reductions in rates, excepting in the agricultural schedule. There were, however, marked reductions throughout the industrial schedules that brought the rates down to a reasonable point that had in view the difference in the cost of production here and the cost of production abroad. I should have voted for the Finance Committee bill if we had been able to vote for that on final passage.

When the bill reached the Senate floor, however, a coalition was organized which included practically all of the Senators on the other side of the aisle and about a dozen of the Senators on this side of the aisle; and, in my judgment, that coalition very effectually wrecked the tariff bill. I should have voted against its final passage in that form but for the hope that the conferees might be able to do something with it. It seemed to me that the Senate, in its treatment of the bill, paid no regard whatever to the facts given us by the Tariff Commission. It paid no regard whatever to the only true measure of calculating the rates—the difference between the cost of production here and the cost of laying down a foreign article in a competitive American market.

The rates on agricultural products were put up to a point far beyond what that test would justify, speaking generally of the agricultural schedule. The rates on industrial products, speaking generally again, were lowered to a point far below the difference in cost of production. I think of some commodities in which the rate was reduced to approximately one-seventh of the proven difference in the cost of production here and abroad. With that I had no sympathy whatever. The sections that were put in at the request of organized labor, giving them the right to be represented in contests in the Customs Court, protecting them against the monopoly rights of American trademarks taken abroad and exploited there with foreign labor—all those things went by the board on the floor of the Senate, and the bill as it left the Senate for conference, in my judgment, was the worst tariff bill that I have ever seen. I should gladly have voted against it had it not been for the hope that the conferees would better it.

The conferees have made more improvement in the bill than the public generally realizes. There are still many points in the bill as it is now before us from which I most ardently dissent. On the whole, it is a patchwork which is satisfactory, probably, to no one in this Chamber. The bill as a whole can not be approved by any of us, but undoubtedly the conferees have improved it. They have produced a bill which is far better and far more moderate than the House bill, and they have produced a bill which, in my judgment, is immeasurably better than the bill as it passed the Senate. I think the farm rates, the rates in the agricultural schedules generally, are ridiculous. I think they are utterly unjustified by any evidence as to the cost of production here and the cost of production abroad. It is a pity that they could not be lowered.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED. No; I prefer not to yield.

Not to go into too much detail, I might say in passing that I think the rates on lumber, and on cattle brought into the United States for fattening, and such items as that, are equally unjustifiable, and against the interests of the American farmer, and against the interests of American trade.

Many of the industrial rates are unfairly low. I know of very few that I would criticize as being too high, but there are some. In the main, they are rather too low.

As affects the industry of my own State, the benefits and the harm done by the bill are perhaps about equally balanced; only, fortunately, the harm that is done is in most cases done to larger companies, and the benefits that are given are mostly given to smaller industries which are less able to survive in the competitive battle.

On the whole, I should say that there is a slight balance of advantage in the bill to my State and States similarly organized. That of itself, however, is not enough to make me forget the other disadvantages which the bill carries; and the slight advantage that Pennsylvania may gain would not of itself be enough to make me vote for the bill.

There are some industries that one can not forget. Anyone who has been through a town that lives on the manufacture of pottery, for example, or the manufacture of cement, can not fail to be touched by the profound depression and the almost hopeless condition of unemployment which prevails in such towns. I would hardly have liked to go back to such places, after having spoken there in favor of a protective tariff that might put those men back to work, if my vote against this bill prevented their getting the very mild relief that the bill carries for them. It is impossible to forget such conditions of unemployment as prevail in those industries.

I believe that the administrative provisions of the bill as it stands are not as good as those of the 1922 law. The flexible-tariff provision seems to me to be less elastic and less satisfactory than that of the existing law.

I think I can foresee the same kind of controversy over the membership of the Tariff Commission organized under this new law that has risen to bother us so often over the membership of the Interstate Commerce Commission. It is said that we take the tariff out of politics by these provisions. In my judgment, we are putting the tariff deeper into politics by these new flexible provisions than it has ever been before; and we will see it when appointments begin to come along for membership on the Tariff Commission.

I think it is a mark of great weakness in the administrative provisions to have repealed the present section 510 of the 1922 law, which permits us to put an embargo on the products of any foreign manufacturer who refuses to give information to our Treasury agents abroad as to his sales prices. I believe the repeal of that section is equivalent to a recall of the Treasury agents that we now have abroad in competing countries; and I regret it very much.

I need not go into details about other administrative sections. It is enough to say that on the whole I think the 1922 law is better.

As a protectionist, as one who believes in his heart in the wisdom of the protective policy, as one who believes in the wisdom of the Republican platform adopted at Kansas City, it has been a most embarrassing choice to have to choose, not between free trade and a protective bill—that would have been easy—but between two protective tariff bills; that of 1922, under which we have waxed very prosperous, and this new one, written under the disadvantages under which it has been written.

I do not regard this bill as anything like a complete compliance with the Republican promise in the Kansas City platform. We promised then, you will remember, Mr. President, in this language:

We realize that there are certain industries which can not now successfully compete with foreign producers because of lower foreign wages and a lower cost of living abroad, and we pledge the next Republican Congress to an examination and where necessary a revision of these schedules to the end that American labor in these industries may again command the home market, may maintain its standard of living, and may count upon steady employment in its accustomed field.

And yet, with that promise fresh in our minds, we have deliberately refused to give protection against the products of countries where the daily wage of common labor is 15 cents. We have deliberately refused to protect American workmen against the competition of countries like India, China, and—coming to Europe—countries like Czechoslovakia, whose inroads upon our markets are increasing every year. For every shipment of goods that comes from abroad from those countries some Americans sit idle at home wishing for employment; and we prattle about living up to our Kansas City pledge!

The bill is unpopular in the country, Mr. President, partly because the consumers of the United States are judging it from what they saw of the House bill, and naturally they did not like it. It is unpopular with producers because many of them are judging it from what they saw done by the coalition here on the floor of the Senate, and naturally they do not like it. The conference bill itself is scarcely known to the country. When it is known probably the general reputation of the bill will be better than it is now, although I doubt whether it will ever give satisfaction to the people of the country.

My strong inclination has been to vote against this bill, however paradoxical it might seem for a Republican protectionist from Pennsylvania to do such a thing. In recent hours, however, I have come to the conclusion that that would be wrong, not because of merit in the bill itself, although it does give some relief in some places; not because I approve of these agricultural rates, because I do not; but because American industry is entitled to be relieved of the agitation that has been going on now for nearly two years; because American business has stood



about all of us that it can stand; because it is almost better that tariff agitation be ended than that it be ended right. It used to be said of litigation that it was more important in the public interest that litigation should come to an end than that it should come to a just end; and I believe the same thing is true of tariff legislation.

Mr. President, I know that if this bill fails now the same agricultural agitation which provoked a tariff revision at this time will persist with increasing strength, and we will have another tariff bill in the next long session of the Congress; and I do not believe American business is in condition to stand that.

To have another bill in the next long session, thrashed out as we have thrashed this out for more than 18 months, would be an unmixed calamity to American industry and American business. It is better that the thing should be ended. It is better that this bill, with all its imperfections, should be enacted. It is better that we should not go into another session to face another coalition, which I fear, and fear very greatly, because, perhaps, they would do worse by us than they have done this time.

Just to avert that trouble and to prevent a continuance of this agitation of the subject of the tariff I intend to vote for this conference report.

Mr. SMOOT. Mr. President, I hope the public generally will not take these charges against this bill too seriously. Such criticisms are made every time a tariff bill is passed, I think less this time than at almost any other time since I have been in the Senate. For instance, such statements and predictions as the following with regard to the present law, the act of 1922, were made upon the floor:

Such is the Republican tariff bill, iniquitous, infamous, damned before it is born, destined to be damned during its lifetime, and doomed to damnation and obloquy after its death.

That was one prediction. This was another:

They—

The rates in the act of 1922—

They will arouse indignation at home, they will diminish purchases, they will provoke buyers' strikes, they will shut mills instead of opening them and close mines instead of making them operate. They will pave our streets with sorrow and with tears instead of with joy and gladness.

Those are some of the predictions against the 1922 act. So I will ask Senators not to worry about what little has been said against the pending bill. What has been said can not equal in comparison what was said against the act of 1922 or the act of 1909.

SENATOR SIMMONS—THE "LITTLE GIANT" OF NORTH CAROLINA

Mr. HEFLIN. Mr. President, I am not going to discuss the tariff bill. I have discussed it and it has been discussed from every angle for weeks and months. There are some good features in the bill. I helped to put them there; but there are so many bad features in it that I can not vote for it. I wish to say, however, that I am for fair and reasonable protection. I am not now and never have been a free trader. I want fair and necessary protection for the products of my own State and section, and for every other section of our common country.

I desire to say a word this morning about the ranking member on the Finance or Tariff Committee on the Democratic side, the able and honorable senior Senator from North Carolina [Mr. SIMMONS]. I know I express the feeling of nearly all of the membership of this body when I say that we deeply regret that Senator SIMMONS has been defeated in the primary in his State for reelection to the Senate.

No man in this body is held in higher esteem than is the senior Senator from North Carolina. He has been faithful to his people in all the high engagements of his public life. He has never betrayed his people, as has been said of another. "He has never sold the truth to serve the hour." The Raskob-controlled press, which is the liquor-controlled press and the Roman-Tammany-controlled press, and the negro press are rejoicing that Senator SIMMONS has been defeated. They admit that they wanted him defeated, and had a hand in bringing about his defeat. And they now boast that they will defeat me in the interest of the Roman-Raskob-Tammany program in the United States. I do not fear them. The people of Alabama know how dangerous and deadly that program is.

Mr. President, the Baltimore Sun this morning, in an article by Frank Kent, says:

There is probably no one to whom the North Carolina result seemed sweeter than to that soft-spoken, mild-mannered little man who still heads the Democratic National Committee—to wit, Mr. John J. Raskob. While bolting seemed all right to Mr. Raskob before 1928, he having

himself some small record as a bolter, and while that year Republican bolters appeared to him pure and patriotic citizens, Democratic bolters were classed as vipers. Assisting SIMMONS and HEFLIN to continue in the Senate was distinctly not one of his ideas when he underwrote the new Democratic Publicity Bureau in Washington. Nor has the SIMMONS defeat entirely spoiled the week-end for Mr. Alfred Emanuel Smith either.

Mr. President, it is plain from these press reports that both of these gentlemen had a hand in that fight against Senator SIMMONS in North Carolina. This is but the preliminary step for the campaign in 1932, when Al Smith will again be a candidate for President.

Senator SIMMONS is the greatest living Democrat in the South; he is one of the greatest, if not the greatest, in the whole country. He knows what the Democratic Party in the South stands for. He has led the white legions of his State in building up a strong Democratic Party in North Carolina.

When the ignorant, vicious, and corrupt negro vote held the balance of power and controlled for a time the great Commonwealth of the Old North State, this matchless tribune of the white people led them to victory and restored white supremacy in North Carolina.

Senator SIMMONS saw the evil and the danger of unrestricted immigration and all during his public career here at the Capitol he has favored and advocated restricted immigration. He desired to stop the flood of immigrants pouring into our country at an alarming rate.

And what a terrible ordeal confronted him in 1928. He was asked to reverse his position and turn his back upon the things that he had believed in and worked for for a lifetime. A political chieftain of Tammany, the most corrupt political organization in the United States, was nominated for President by delegates from Republican States. Bryan denounced it as such, Cleveland denounced it as such, and Woodrow Wilson denounced it as such.

Right here in the Senate this great Democratic leader from the South warned the Democratic Party that we could not and would not change our principles overnight to follow a Tammany program that we could not indorse and that it would be fatal to nominate Alfred Smith, a Tammany chief, to be the leader of the great white party in the United States, and its great moral forces. He stood here and told us just what would happen, and he told us the truth.

Mr. President, when they finally nominated Smith, Senator SIMMONS had to decide whether he would support a candidate for President who believes in social equality, who believes in mixed schools, whites and negroes, who believes in marriage between negroes and whites. He had to decide whether he would meekly submit to such a program and surrender his party over to such a leadership as that; and he just could not conscientiously do that.

And you call that bolting! Mr. President, I shall to my dying day point to my stand in 1928 when I opposed Alfred Smith and his program in the United States as one of the highest and best services that I have ever been able to render my party and my country.

I am aware of the fact that thousands of as good Democrats and good Americans as I am voted for Smith, but they did not know what I knew and know about him—his social equality beliefs and his record and the alien influences back of him.

You can not change the sacred and deep-rooted principles of a people overnight. My God, just think of it, the great Democratic Party of Jefferson and of Jackson and of Wilson going to Tammany for leadership, with its alien program and interests and its social equality plan and practice, and its foreign secret understanding and practice of slipping in of hundreds of thousands of foreigners in violation of the laws of our country to swell the vote of Tammany and help make America Catholic. Take that and thrust it in the face of the great Democratic Party of the South and tell us that we must bow down and worship this new hideous and hateful image which is set up in front of us by the John J. Raskob régime. He is a Republican and an officer in a foreign government. He holds an official position in the kingdom of the Roman Catholic Pope, and he is still the head of the great Democratic National Committee in the United States! Shades of Jefferson! Is our party to continue under such leadership?

Mr. President, the Senator from North Carolina knew all these things and he was called upon to just fold his arms and seal his lips and accept the Tammany program, schemes, and purposes as principles of the Democratic Party. He could not and would not do it.

I repeat that I am not criticizing the Democratic men and women who voted for Smith. Many of them, like thousands in my State, did not know his record and what was behind his



candidacy. The subsidized press in Alabama, a majority of the big dailies, absolutely controlled by that interest—I think some of them are owned by it—suppressed the truth. They would not let the Democratic voters get the facts about Smith and Tammany. They charged me \$1,400 to print in three newspapers in the State a portion of a speech I made against Smith and his program and they were printing page after page every day for the Smith-Raskob-Tammany outfit. We could not get the truth to all the people of the State, but, even handicapped as we were, we carried the State against Al Smith. I think nobody will seriously dispute that now. There were 26,000 votes laid aside on election day which they did not count because they said they were not marked properly. If they had been counted, and the law shows now they were properly marked, Hoover would have carried the State by 19,000 majority. I think it was much greater than that.

Mr. President, these foreign potentates and alien Tammany leaders were desperate. The conflict was on between two forms of government right here in the United States. SIMMONS believed in the democratic form of Government. In our form of government SIMMONS believes in white supremacy. SIMMONS believed in restricted immigration, and SIMMONS believes in prohibition, but Al Smith did not and does not believe in a single one of these things so vital to the peace, happiness, and protection of the people of the South. The Roman Catholic policy the world over has been to have unrestricted immigration in Protestant countries. They bring Catholics in from every country. Their plan is to bring Catholics in from every Catholic country to fill up the United States and get in the majority so they may control the Government of the United States. Al Smith and his group do not want restricted immigration. The Democratic Party of the South wants it. The Democratic Party of the South and the Republican Party of the West both saw the danger of the Catholic program of unrestricted immigration and they joined forces in Congress to defeat it, and they succeeded in doing it. SIMMONS was there in the thickest of the fight, and I was there and helped to pass the law that cut down foreign immigration to the United States from 1,000,000 a year to 150,000, and they are better selected now than ever before.

As I have said SIMMONS and his people in the Democratic Party in the South stood for white supremacy. Tammany is opposed to white supremacy. Then let me ask: What is there in common between the Democratic South and the so-called Democracy of Tammany? What is in common there between the white Democrats of the South and the alienism and negroism of Tammany? Then what must the Democrat who has conscience and courage do when he sees an effort made to run his party into the lap of such a bunch as we know these Tammanyites to be? Is he to submit to it and surrender, or is he to stand up like a true American Democrat and warn against such a course? SIMMONS, knowing what he did and loving his party and his country as he did, refused to urge his people to do the thing that he believed was dangerous and destructive to his party and his country. Mr. President, tremendous efforts were made to get that man's support for Smith. I referred to this once before. I wish I were at liberty to relate just what happened. Fabulous sums of money would have been given to have him support Smith in North Carolina, and there never was as much money used in a presidential campaign as Raskob and his bunch used in 1928. In the first place, Smith got the nomination through skulduggery methods, coercion, intimidation, deception, fraud, and corruption. Why, Mr. President as I have said before, in the State of Wisconsin Jim Reed got 35,000 votes in the primary and Smith got 8,000, and yet Smith got the delegation. Out in California between 40,000 to 50,000 odd Roman Catholic Republicans went over and registered as Democrats to enable them to vote in the primary in order to make it certain that Alfred, the appointed, was to be nominated for President of the United States. That is what happened.

Go down in the State of Virginia where Tremaine, the controller of New York State, while Governor Smith was a candidate for the nomination, went and made a speech. He said:

If you southerners do not fall in line for Smith, we will punish you in Congress. We will defeat the measures in which you are interested.

Think of that! That is bigotry; that is intolerance gone mad. They would not stand for anybody getting in the way of their program. The Southern States were against him, I think without a single exception, 10 or 15 to 1. Nearly all of them went against him in the convention. My State never did vote for him in the convention. I wired the delegation from here and asked them, in view of his record and the influences back of him, not to vote to make his nomination unanimous, and they did not vote for him. My State was against him in the primary about 8 to 1. My State went against him in 1928.

The Raskobites of the East are not going to do now down there what they did then, because this is a Federal office for which I am running, and we can have a Federal investigation, a senatorial investigation. Nothing would do me more good than to put a few of Raskob's agents in the penitentiary, and I expect to do it.

We are going to have a fair count in my State this time, and the wet Roman press and the negro press will not be rejoicing after the returns come in from Alabama, because I am going to trim them in due and ancient form in my State. [Laughter.] My State is not for sale. Raskob has not enough money to buy the voters of Alabama. A senatorial toga can not yet be put upon the auction block and sold to the highest bidder in my State. The Democratic men and women of Alabama, I repeat, are not for sale. They resent the suggestion that they can be bought and bribed to surrender their principles and their rights for money.

Mr. President, my heart goes out to the "Little Giant" from North Carolina. I admire, honor, and love him. The stand that he took for the good of his party, for the good of his people, and the good of his country commands the love and admiration of American patriots everywhere. He knew Smith's record. He sat here and heard all the discussion regarding Smith in the spring of 1928. He heard the Senator from South Carolina [Mr. BLEASE] read a newspaper article stating that Smith, in order to get the negro vote, was going to put a negro in his Cabinet. He was going to go the Republicans one better on the negro question. And you know he got more negro votes than any man running as a "Democrat" ever got before. He was going to put a negro in his Cabinet. He never denied it then and he will not deny it now.

The Senator from North Carolina [Mr. SIMMONS] heard me charge that Smith was in favor of social equality, as the New York World said, and it was trying to help him get the negro vote, and Smith has not denied that, and he will not deny it now. He was in favor of marriage between negroes and whites, and his church permits and sanctions that policy, and he has not denied it, and he will not deny it now. Then talk about beating down and destroying a Democrat in a Southern State before the white men and women of the State, when they know that he opposed a man that he positively knew held such views? The Democrats of my State did not know it when the election was on in 1928. They could not get the facts. The Raskob-controlled press would not give the facts to them in Alabama.

But they are getting the facts now. They will have the truth about all these things in my State before the election comes in November. When they do get the truth, and the whole truth, no Democrat worthy of the name will permit the Raskob-controlled 27 members of the Alabama State committee to deliver him or her into the hands of the Roman-Raskob political party. When the Democrats of Alabama know that Smith stands for unrestricted immigration and that his Tammany bunch voted to cut down the representation of the South in Congress since the election of 1928 they will repudiate him and spurn him. Yes; these Tammany Democrats voted to cut down the representation of the South in Congress since the election of 1928 because the negroes demanded that they do it. And they obeyed because Alfred is going to run again in 1932 and they want to get the negro vote, and they are willing to pay large sums to certain so-called Democratic leaders in the South in order to carry out the Roman Catholic program regarding Alfred in 1932. The Democrats of the South are not for sale. Yes; they have some big doings in mind for that year.

They want to send an ambassador to the Roman Catholic kingdom in Italy and they want to send one here from that Roman Catholic kingdom. They want to take over Mexico. They intend to break down constitutional government there and restore the Pope to power in Mexico. That is all in the program, and in addition to that they want to change the form of this great Government. Doctor Ryan, their mouthpiece here in Washington, appointed by the Pope and Catholic king, a professor at the Catholic University in Washington, stated in substance in his book called *State and Church*, that "Once we are strong enough politically we will set up a Catholic state in the United States and then we can not allow the Protestants or non-Catholics to carry on their general propaganda." Then talk about punishing a Democrat who dares to warn his country against the dangers that threaten constitutional government in America.

Raskob and his Tammany crowd wanted SIMMONS to agree to abandon the principles that had made his beloved Southland safe, secure, and happy. They held out the suggestion that he could be well taken care of. He spurned them and dared to do his duty as he saw it. He stood by his work of a lifetime. There was no guesswork or misunderstanding about the issues and the dangers of that campaign, Senator SIMMONS knew.



They could neither bulldoze or buy him. Should a public man who knows the truth be destroyed for standing by the truth? Then there is your shallow public man innocent of serious convictions, who by some hook or crook gets into responsible position. He is easily influenced and falls a prey to corrupting influences and uses his public position to enrich himself. They told him he would not have any opposition in 1930 if he would support Alfred. They told me the same thing. They said to me: "You are sitting pretty. Nobody can beat you in the primary if you have any opposition provided you support Smith. You will not have any opposition if you go along and support Smith." I said, "My friends, this is a serious situation. Nobody deplores more than I the dreadful situation that confronts me and my party and the people of the United States."

"I know too much about what is behind Alfred Smith and the wet Roman Catholic program in the United States, and I can not and I will not abandon the principles of a lifetime and bow the knee to the strange and false gods of Tammany when I know that they mean trouble unending for my party and my country." They said, "It will destroy you politically if you pursue that course." I said, "If it does, I will die in the full discharge of my duty to my party and my country." I said, "I will not sell the principles of my party and free government in America for a seat for myself in this the greatest lawmaking body in the world." I would rather have it said of me when I am gone that "he dared to do his duty as he saw it and was faithful to every public trust."

What would I care? Why, Mr. President, knowing what I did about Al Smith and the Tammany influences back of him, and the history of all the Roman Catholic governments of the earth fresh in my mind, I would have been a coward to surrender when I felt to surrender meant the betrayal of all that was sacred in our Government. I could not have looked myself in the face in a mirror if I had done otherwise, knowing the truth as I did. I would not do it.

I have recently asked Smith men and women in my audiences in Alabama, "If you had known these things would you have voted for Smith?" They shake their heads "No." The truth is the light. "Know the truth and the truth shall make you free."

Mr. President, let Raskob, Smith, and Tammany rejoice over the defeat of Senator SIMMONS. Their invasion of the South has aroused American patriots everywhere. They can not refrain from gloating over the fact that they have beaten SIMMONS, that Raskob and Al Smith and that group have gone down there and demanded their pound of flesh nearest the heart of the great white chieftain of the Democratic Party. This man's long and illustrious record of service to the Democrats of the South stands for naught to them. "He must be destroyed and then we must move down upon HEFLIN, of Alabama, and destroy him." For what? Because, among other things, he led the fight to defeat their program for war with Mexico. "Prepare ye the way," they cry, "for Alfred the anointed in 1932!" I want to predict again, if my party has not learned anything from its betrayal and disastrous defeat in 1928 it certainly will learn something in 1932. I do not care who he is, but any honest Protestant can beat Al Smith for the Presidency in 1932.

They say I am bigoted and intolerant and that I do not want to see a Roman Catholic elected President of the United States. I am going to tell you the truth about that. I do not want to see a Catholic President, and I never expect to see one of them President until they change their whole political creed and plan and purpose. What is the trouble, you ask me? They do not stand for separation of church and state, and that is a cardinal principle of the American Government. They are for union of church and state, for a government of the union of church and state. I would be against the Roman Catholic political program if for no other reason. They are not for free speech. Let a speech be made that the Catholic leaders do not like, and they will boycott a paper for publishing it and punish the man who made it. They do not believe in a free press. We have thousands of instances where they have destroyed it in certain States, because it preached a doctrine they did not like and which interfered with their program to make America Catholic. They do not believe in peaceful assembly to have a discussion unless a Catholic is told in advance what is to be talked about and they O. K. the speech in advance. I have had experiences with that myself. They do not believe in religious freedom, for wherever they have secured control of the Government they have destroyed religious freedom and have set up the Catholic religion to the exclusion of all other religions. Then tell me that in a Nation of 100,000,000 Protestants a Democratic Protestant American

is to be crucified because he stands on the housetop and warns his people of the danger that threatens free government in America! Old Ezekiel said:

But if the watchman see the [danger or the] sword come, and blow not the trumpet, and the people be not warned; if the sword come, and take any person from among them, \* \* \* but his blood will I require at the watchman's hand.

Thank God no blood will not be upon the head of Senator SIMMONS. He sounded the trumpet; he gave the alarm; he said, "This white-supremacy goddess is my child. Proud, bright-eyed goddess of the Old North State, how I have guarded thee, how I have worshiped at thy shrine, and they ask me now to turn her over and all the things she stands for to a leader from Tammany, who believes in social equality, in marriage between negroes and whites. I can not do it. I can not do it."

He asks, "What, then, have I done? I have helped to build up this State; I have helped to establish prohibition here." He is the leader of the prohibition cause in North Carolina. He was the chairman of the State committee and he led the fight. The wet interest got some of the other members to go to him and tell him that he could not put that over; that they were not going to follow him. He addressed the committee, and they changed their minds and established a prohibition policy in North Carolina where they have the negro problem ever present. SIMMONS is to be punished because he would not desert prohibition and the protection of the women of his State, where the negro problem is ever present, and accept a Tammany wet, who bolted the platform on prohibition and nullified the Constitution in a race for the office of President of the United States. Now they boast.

Boast on, carry your boasting to the far corners of the United States; but there will be another time. The fight they have made against SIMMONS will do more to arouse honest, earnest, intelligent Protestants in America than anything else that has ever happened. My name is coupled with every one of these boastings. They say, "HEFLIN comes next;" and they rejoice. There is rejoicing in Tammany and every little Roman hiring up there [indicating the press gallery] rejoices. There are several of them up there; there are some mighty clever boys up there, as I said before, and some clever ladies; but just watch the wet Roman press now and see how they are boasting of beating SIMMONS, punishing SIMMONS, a man whose public record is as pure as light and as stainless as a star. They can not find fault with his public service. An able, fine, upstanding Democrat, he stood yonder in the Old North State, and when he saw this Tammany cloud coming he said, "We can not stand that; we are going to resist it;" and he resisted. Virginia resisted, Texas resisted, Oklahoma resisted, Maryland and Kentucky resisted, Tennessee resisted, Alabama and Florida resisted. Those States all went against Smith. We had a political revolution in my State. The free-born Democrats, regardless of how they voted in 1928, will not sanction the Raskob-Tammany primary plan for Alabama. The question in Alabama is whether Raskob and Tammany and the Roman hierarchy can retire a United States Senator without giving him a hearing before the free Democrats who elected him in the primary in Alabama.

I accept the challenge of these alien gentlemen in the East. Mr. President, in conclusion I want to say that at the highest point on the mountainside of southern statesmanship the "Little Giant" of North Carolina stands alone above all the others of his day, resplendent in the glow of his own great achievements. He has studied and mastered the science of government. Blessed with a strong analytical mind such as few public men of his day possess, he has used it with telling effect for North Carolina and for the good of our common country. Before he came here, the people of his own State, who knew of his brilliant and extraordinary mentality, and of his unquestioned courage and manly honor, called him the "Little Giant." He had not been here long until his colleagues in the Senate recognized in him a debater and a statesman so wonderfully and superbly equipped for his great duties as a Senator that they called him "the little giant from North Carolina."

No Democrat in public life in my day has done more to hold the Democratic Party true to the purpose of its creation than has the "Little Giant" from North Carolina. He has been able and fearless friend of the masses in all his long and useful career. He is a poor man, only moderately well to do so far as this world's goods are concerned; but he could have been a millionaire many times over if he had betrayed his people, sold their interests, and used his position for personal gain.

His enemies have attacked him all along the way, and he has been in the white light of pitiless publicity for 30 years as a United States Senator, but no spot of corruption is seen any-



where on his political horizon, and no act of dishonor has ever darkened his name.

No man in the Senate has been more devoted to the interest of his State, and no Senator here has done more to develop and advance the material and moral welfare of his people than has Senator SIMMONS, of North Carolina. He has been the able, faithful, and powerful friend of the masses not only of North Carolina but of every State in the Union.

Mr. President, Senator SIMMONS, by his able and distinguished service, has won a high and honored place in this great law-making body, and fully nine-tenths of the Senators of the United States will join me in expressing to him our personal grief and deep regret at what has transpired in his political career down in the State that he has loved and served so faithfully and well.

Mr. President, the Tammany tactics were employed, and the Raskob agents were active. They whispered it around that Senator SIMMONS was very feeble and would not live out his present term. That was the dirty and slimy work of Raskob agents. They spent money, we are told, to help defeat SIMMONS; they took money down there Friday and Saturday and spent it very freely it is said. And it is claimed that he had no representation at the ballot box in any but three or four counties of the State. And then the wet Roman Raskobites boast that they have punished SIMMONS and driven him from the Senate because he felt it to be his duty to his party and his country to oppose Al Smith for President.

Is this free America? Is this the democracy that Jefferson gave to us? What are we going to do? Are we going to be true to the party, true to its principles, or true to a fly-by-night leader, who has sprung up overnight with schemes and "isms" fraught with grave danger to our party and our country? Are we going to surrender the old bedrock principles of the party? Are Democratic leaders in the South to be punished, struck down, and destroyed because they are true to white supremacy; true to prohibition in the South; true to restricted immigration; true to the principles of free Government in America?

Mr. President, I am reminded of the story of a hunter out in the Northwest who lived in a region where there were many wolves. He had built himself a little shack, inclosed by a high fence. He had a wife and baby, and he had a big, fine wolf dog. It was his custom to take a little stroll from the house each day to exercise his dog. This time he forgot to close the gate. When off a quarter of a mile from the house, he saw his dog turn suddenly and as fast as he could run go back to the house. It excited him. He said, "I believe that dog is crazy; I never saw him act that way before"; he returned to his home as quickly as he could. When he went into the house he saw his wife prone upon the floor—she had fainted—and his little baby, bitten through the head by a wolf, was dead. His dog came panting to his master with his tongue out, trying to tell him what had happened.

The hunter, however, saw his baby bitten through the head and his wife lying on the floor and saw nothing else but his dog, and decided that the dog had gone mad and had killed his baby and perhaps his wife. So he took his hunting knife and stabbed his dog through the heart, the faithful animal falling on the floor at his master's feet, whining pitifully, as if to say, "Master, you do not understand; you do not understand." When the man looked around further, examined the bedclothes that were thrown everywhere, and tables and chairs overturned, he found over behind the bed where the baby had been attacked the big wolf that his faithful dog had slain. The dog had heard the scream of the wife and went to the rescue, and the master who should have petted and praised him stabbed him in the heart and struck him dead.

Mr. President, the "Little Giant" of the Old North State, who has stood guard at the altar place of all that was dear to her has been struck down. He refused to permit the Tammany tiger to enter the temple of democracy and devour the goddess of white supremacy in the Old North State.

God bless the "Little Giant"! The people of the Old North State will regret their action. I make the prediction that the day will come, when they properly assess his virtues and his achievements and his able and faithful service, that they will build a monument to him in North Carolina. What has happened, however, is in accordance with the decree of the new wet-Roman-Raskob-Tammany order that the Protestant American who stands up in the face of the Roman Catholic program must go down; he must fold his arms and bend his knees to the Roman Catholic Baal if he expects to continue in public life in the United States. Now, Mr. President, they have visited their punishment upon Senator SIMMONS. How could the Democrats of North Carolina permit this thing to happen?

I think of another story of a peasant who was driving his team through the desert. His little boy was in the vehicle with

him and the doors were closed. A pack of wolves set upon him and he drove as fast as he could, but the wolves gained on him and finally were close behind, and what do you suppose happened? That cold, cruel, and brutal father threw his little boy out to be devoured by the wolves while he made his escape.

Are the strong men and noble sons of the Democratic South to be thrown to the Tammany tiger in order to carry forward the Roman Catholic political program in the United States. The Catholic leaders who now boast that they have defeated SIMMONS and that they will defeat me next know that I am not attacking their form of worship. I do not approve it, but I want them to worship just as they choose, but they do not feel that way about us. Under every government where they have had the power they have destroyed every other religion and set up their own religion and compelled the government to support the Catholic Church with its money and with its army.

Mr. President, I have no apology to make to them for defending our American form of government. I would be a contemptible coward if I were afraid to do my duty because in doing it I bring down upon my head the wrath of the Roman Catholic political machine. This is not the first time that they have tried to put me out of the way. I have told some of my friends about being poisoned once at Chicago, and I will now relate another experience. The Roman press misrepresented it. Some time ago I spoke a few miles out from Asbury Park, N. J., to about 5,000 people in the afternoon. I spoke on the dangers that threaten the American Government. I went back and spent the night at the hotel overlooking the ocean and was in my room on the fourth floor. It was rather a damp night and it was drizzling rain, and I was sitting over by the window with a light overcoat on reading a newspaper. It was about 9 o'clock in the evening. Somebody knocked at my door. I went to the door, and I took an "instrument" with me. I opened the door with my left hand, and there stood a foreigner who could speak English, a boy about 20 years old—a black-eyed, swarthy fellow—and another man smaller than he, apparently 40 years old.

The small man had an ice pick in his hand and the foreigner had a hammer. I asked, "What do you want?" They said, "We came to fix your bed." I said, "What is the matter with it?" They replied, "There is something wrong with it and we were afraid that it might fall down." The dark-skinned boy said, "I noticed this morning when I made it up that it was shaky and it might fall." I said, "Your visit here to fix my bed when I have not called for you is very strange. I have not called for anybody to fix the bed; I have made no request for you to come to my room." Then I said rather sternly, "Look and see what is the matter with it." They could see that I was indignant and a little impatient; I spoke rather sharply to the foreigner with the hammer twice, and he, realizing that his murderous plan could not be executed, got excited. He quickly turned up the mattress and examined the bed. He said, "I do not see anything the matter with it." I said, "Well, it is very strange that you should come to my room in this way. I don't understand it." Their plans were thwarted and they were visibly embarrassed.

When they got out of my room I telephoned downstairs and asked the clerk if he had sent two men to my room to fix a bed. He said he had not; that he did not even know who they were or that they had been up to my room. He said the boy told a falsehood about making up the bed in that room—that women were employed to do that work. Then he said, "I have two detectives here, and will put them on that floor to see that you are not disturbed any more to-night." I said, "You know my life has been threatened, and I must be on my guard." He said, "We will look after that."

I told a number of friends what had occurred. I said, "What do you suppose they intended to do?" My friends said, "Well, they thought you would be sitting in your room reading, and would pay no attention to them as they were pretending to fix the bed, and one of them would get behind you and knock you in the head with that hammer and go right out of the room and close the door, and nobody would know what had happened until the next morning, and there would be no trace of the murderers."

That happened right up here in the State of New Jersey in this free government of ours. I had spoken that day to 5,000 American citizens on a subject that the Roman Catholic political machine did not want discussed.

They had Obregon, the President elect of Mexico, killed. They ordered the assassination of President Gil, of Mexico, and recently they sought to kill President Rubio, of Mexico. Any American patriot who dares to stand by his own country and against the Catholic program in America is a marked man or woman by the Roman machine in America. The people who oppose their program are heretics, as they call them.



Senators, the program and doctrine along these lines are dangerous in this free land of ours; and let me tell you that the Democratic Party of the South is not going to be tied up as the tool of that group if I can help it. I am ready to accept their challenge and fight it out in every Southern State. Will the southern Democracy become subservient to the Roman Catholic candidate of the party of the East, or will we sever our connections with them once and for all and continue, as we have heretofore, to stand by the time-honored principles of Jefferson, separation of church and State, the public school, white supremacy, home rule, and self-government in our Southern States?

These are the questions that will arise. They are going to arise all over this country this year. In their fight on Senator SIMMONS and me they have dared all Democrats to continue to stand for the American form of government. They threaten to destroy them. They have invaded the State of one of the finest characters that I have ever known in public life; and in his old age, when he should have received the support of all the people of his State—when he should have had no opposition—they go down and slip around with their hired agents, and make these underhand attacks on him, and then come here and boast in their wet Roman press and negro press that SIMMONS has been struck down, and that they are going to strike me next.

Let me say this in conclusion, Mr. President: Somebody has got to give the country warning of approaching dangers if we are to continue to have an American Government. It seems to be part of my duty to do that. I say to the Senate, to my party, to my country, and to my God, if that call is mine, I welcome it and I bare my breast unafraid to those who would destroy me because I am seeking to hold my Government true to its American form. I will fight for these principles as long as I have the strength to do it. I do not propose that the leaders of the secret Roman Catholic political party in the United States shall swallow up the Democratic Party in my State.

Alabama is rich in the heritage of a glorious Protestant history. Protestantism in America is religious freedom, separation of church and state, free speech, free press, peaceful assemblage, and the public school. The old Protestant fathers and mothers in my State are dead and gone to their reward—the tombstones mark the places where they have gone down to their last sleep. The little white churches in the groves all over Alabama, in the villages, at the crossroads, in the towns, and in the cities—they are monuments and landmarks of the good old American Protestant doctrine. I want them to continue their good work. I want them to stand forever. I do not want anybody to come into my State and take charge of the Democratic Party, the dominant party of the South, announcing in their program that when they get enough political power to take charge of the Government they are going to overthrow Protestantism, close the Protestant churches, set up the Roman Catholic state, and tax all the people to pay the salary of Roman Catholic priests and support the Catholic churches. Senators, these questions go to the very vitals of free government in America; and so many public men are indifferent to them, and so many of them are as afraid as they are of death of the Roman Catholic political machine.

I call upon every patriotic American to wake up and take the steps necessary to save America from the terrible fate that has come to every country on the face of the earth where the Roman Catholic political machine has been able to set up its Roman Catholic government.

Let me say to the lobby committee before I close, I invite you, all of you, to investigate the lobby activities of the National Catholic Welfare Conference fight here in the city of Washington. They are fighting the establishment of a department of education in our National Government. Go ask what they are doing. Ask about their activities. You are calling Protestant preachers and Protestant people here and investigating them. Now you have a Protestant bishop—of course, he has made his mistakes; we all make them—but here he is now hobbling on his crutch, and some of you are seeking, I am told, to get authority from the Senate to put him in jail. You have even suggested that. You will never get a resolution through this body to do that. I will ask for a roll call and let the people back in the States know just what is going on here at the Capitol. When Raskob was before the committee, some of you handled him with gloves. Oh, how gentle and tender you were with Raskob, a prominent official of the Catholic kingdom. You would not let him answer vital questions. At one time the Senator from Indiana [Mr. ROBINSON] said, "Mr. Raskob, are you going to resign as chairman of the Democratic National Committee?" The Senator from Montana [Mr. WALSH]—Raskob's brother in the Roman Catholic Church—said, "Don't you answer that," and he would not let him answer it. These press boys who now rejoice that SIMMONS is gone—and they think

that I will be gone—are happy. They praised Raskob. They told how smooth he was, and that the committee did not make anything off him. But when these Protestant preachers came in who favored prohibition, they were subjected to terrible cross-examination—so much so with one of them that he walked out of the committee room hobbling on his crutch, beating a retreat, a Protestant bishop in America, and some of these Roman boys were in there hissing at him when he walked out!

The people of this country are going to know the truth. I will dare to tell the Roman Catholic Church in America what to do: Sever your relations with Rome. Set up an American church. Declare in favor of separation of church and state. Stop your warfare against the public-school system. Come out in favor of free speech, peaceful assembly, free press, and religious freedom, and you will have no further quarrel with me.

O Mr. President, I owe it to my country to fight for these American principles, and I expect to keep the faith.

I know that the Jesuits and their Roman agents will pronounce all sorts of damnation on me for this speech to-day; but what do I care? I have the witness of the spirits of the dead patriots who have gone and the assurance of those living that I am fighting for my country and the preservation of our American Government. I do not intend to sit silent and see this thing go on any longer. You have seen Protestants called before this committee time and time again, and not a Roman Catholic. You know I am telling you the truth. This National Catholic Welfare Conference is lobbying in the Senate and in the House to defeat ROBSON's bill and CAPPER's bill to establish a department of education. They can not even get these bills reported out of the committee. There is a fruitful field for investigation by the lobby committee.

Investigate that group. Will you have the courage to do it?

I wrote the lobby committee a letter, and it was printed in the RECORD, showing how the National Catholic Welfare Conference boasted that they defeated the bill seeking to create a department of education a few years ago. I wrote and told the committee that they said, "We are constantly in touch with the President, Cabinet, Senate, and House every day about matters that affect the interests of the Catholic Church."

These Protestant people that you have been interrogating were working on matters that affected good morals, and the prohibition amendment of the Constitution of the United States. You investigated them. Now call these other gentlemen before you, and do a good job before you quit, because the American people are aroused and expect you to act. The partiality shown has caused three-fourths of the Senators in this body to be in sympathy with Bishop Cannon. They do not condone some of the things he has done but they are weary, exceedingly weary, of this manner that you have had—investigating all these others, and letting the Roman Catholic National Welfare Conference lobby right before your eyes and under your noses pass by on the other side with no investigation of them. Let us be impartial and absolutely fair to all.

#### REVISION OF THE TARIFF—CONFERENCE REPORTS

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. SHORTRIDGE. Mr. President, I beg the patience and crave the indulgence of the Senate as I rise to express myself—and I hope briefly—concerning the bill which is before us. Out of deference to other Senators who desire to speak this afternoon, and in order that I may not prolong my remarks, I will ask that I be not interrupted, except, of course, that if some Senator desires to put a question which will not provoke digression, I shall yield for that purpose.

It is not necessary to instruct this body as to its functions and its duties, but I venture to think that it would be well if the country at large paused to realize the functions and the duties of the Senate and the House when they are considering a tariff bill.

The Congress has power "to lay and collect taxes, duties, imposts, and excises, to pay the debts, and provide for the common defense and general welfare of the United States." It should forever be borne in mind also by our people that Congress has the power "to regulate commerce with foreign nations, and among the several States, and with the Indian tribes."

In the exercise of those powers, Congress has been at work for many months on the framing of the bill before us. We are all weary in mind and somewhat exhausted in body as the result of these labors, but people should understand that the effort of the House of Representatives and of the Senate has been to consider this question, not from a local standpoint but



from a national one, and to frame a bill which will promote the welfare of the people of all the States, from the Atlantic to the Pacific, from the northern to the southern boundaries.

I hasten to say that, having devoted many days and weeks and months, running beyond a year, to the study of this question, and having played some part in the framing of the bill, I am of the firm opinion that if it shall become the law of the land, it will contribute to the general welfare of the people of the United States.

I am aware of the fact that our countrymen have differed as to the principle or the policy which should be adopted in the framing of a bill of this character. There are those still living who think that the power of Congress in the levying of duties upon imported goods and merchandise should be limited to the purpose of raising revenue to pay the national debt and to assist in carrying on the affairs of the Government. They concede, it is true, that in fixing duties for the purpose of raising revenue, the Congress may properly consider, as incidental, the subject of protecting American industries. For brevity's sake, that doctrine has been expressed by the phrase that the Congress has power to levy duties "for revenue only, and for incidental protection."

Upon the other hand there are those who have held that Congress may levy duties not only for the purpose of raising revenue but that in levying duties Congress may, and that it should, consider American industries which may be protected, encouraged, and developed by appropriate and adequate rates of duty on imported merchandise. Thus we have had and have the two schools, the two theories of tariff legislation—the "protective" school or theory, and the "tariff for revenue only" or "free trade" school or theory.

To Senators present these thoughts are platitudes, and they may be to the intelligent people of the whole country; but purposes of a tariff bill can not be made too plain. To raise revenue is one of the purposes, but not, perhaps, the prime, the paramount purpose, although it is important.

During the last year we raised by way of duties upon imports something over \$602,000,000. That should be remembered in connection with this other outstanding, important fact, that the carrying on of this Government calls for an expenditure, in round numbers, of \$4,000,000,000 per annum, and, as we see, much of that vast sum may be raised by way of imposing duties upon imported merchandise.

However indignantly certain Senators disavow being "free traders," their arguments in opposition to this bill are in essence free-trade arguments; they support the theory of levying no duties at all, or that duties are to be levied without any regard for the protective features involved in a true protective measure. These two schools in respect to tariff legislation are accurately described when characterized as the "free-trade" school and the "protective-tariff" school. For brevity, there has been and there is the free trader, there has been and there is the protectionist. Conceal himself as he may, deny it as he will, the opponent of this bill is a free trader, and we who favor this bill are protectionists.

It is not necessary for me to say that I am a protectionist. I think the history of this country demonstrates, proves beyond candid controversy, that the application of the protective-tariff theory has always been an unmixed blessing to the American people, and, with equal confidence, I assert that the application of the free-trade theory in tariff legislation has been an unmixed curse to the American people. From the first tariff law, which was the second law ever passed by the Congress, which tariff law was signed by George Washington on the 4th day of July, 1789, and signed on that day as a patriotic act—from that first tariff law, which was a true protective tariff law, every succeeding protective tariff law has been a blessing to the American people. To invite the inquiry and thought of America I repeat that every tariff law which has been framed upon the free-trade theory has been a curse to the American people. And let it be understood that the bill before us is framed upon the protective-tariff theory and designed to raise revenue and promote the "general welfare of the United States."

Mr. President, the tariff is not a local issue. I can believe that when General Hancock remarked that the tariff was a local issue he had in mind those Lilliputian statesmen (?) who can not or will not grasp the greatness of our country or the necessity for protecting the multifarious industries of the United States. To the little mind, to the canary brain, the tariff may be a local issue, for such a mind can see nothing beyond the horizon. Such a mind thinks that the village in which it is in is the center of the universe, because, forsooth, the horizon comes down in a circle roundabout. But to the mind which can grasp the 48 States in the Union, to the mind which has regard for all, each, and every of the 48 States, to the mind which holds in con-

templation the vast industries of this country, the multifarious industries, the different types of industry—agriculture, mining, manufacturing—to such a mind the tariff question is a national question.

The giving of adequate protection to an industry in Florida is a national question. If an industry in Maine needs protection that necessity presents a national question. And it is even so with any industry in any 1 of the 48 States of the Union which may be encouraged and developed by adequate tariff duties. Every legitimate industry in the United States giving work and wages to our people should be afforded adequate tariff protection. To do this is to assist those directly interested in that industry, and if we may think of it selfishly, it is perfectly manifest that the prosperity of New York, for example, means the prosperity of California, that the prosperity of the great city of Chicago, for example, means the prosperity of far-Western States. In other words, the prosperity of one section flows over into other sections of the Nation. Therefore I am not at all disturbed when I hear the argument that the tariff is a local question. Nor am I at all disturbed when I hear Senators or others argue against a given industry because it thrives or exists only in a given State. Yes, Mr. President—and to your learned mind what I am saying is so platitudinous—we must contemplate this question from a national standpoint and have regard, affectionate regard, intelligent regard for every State in the Union, for every man and woman in the Union.

Ah, but some of my friends may say that by developing one industry in a given State we impose a burden upon the people of other States who purchase the thing limited to production in the one State. Mr. President, by withholding adequate protection, one by one we can strike down and destroy and put out of existence the many, many industries in America.

I am not thinking of my own State alone. The record here will demonstrate and prove that by the number of votes I have cast. I have voted for a given rate to assist the State, the people of the State, or section directly interested. Where the rate asked was necessary to protect that State's industry I have favored it, for I wish that State to prosper, and no State can prosper without industries.

So, I wish the people to know and to remember that we are enacting this tariff law, first, for the purpose of raising revenue to assist in carrying on the Government; second, for the purpose, which we have uppermost in mind, of promoting the welfare not of Pennsylvania alone, not of New Jersey alone, not of Georgia alone, not of Alabama alone, not any State alone, but the general welfare of the people of the United States. That adequate protection will bring about a better condition of the general welfare has been demonstrated so often by historic facts and by conclusive argument that I do not purpose at this hour to go into the matter further, or curiously and with detail present the argument in favor of what has been so appropriately called the "American protective-tariff system," one of whose early splendid champions was that great American statesman from Kentucky, whose speeches, if uttered here to-day in this Chamber, would be as appropriate as when spoken by him—Henry Clay, the great protectionist.

Mr. President, a dispassionate study of the bill with preconceived notions laid aside, a careful and thoughtful study of the bill in its present form, will convince the people, as I had hoped and even now have a lingering hope it may convince some who have indicated a disposition to vote against it, that it is and will be for the benefit of agriculture, that it is and will be for the benefit of the mining industry, that it is and will be for the benefit of the great manufacturing industries of our country. Being beneficial and helpful to agriculture, to mining, to manufacturing, it will be beneficial to all the interrelated industries which go to make up the great volume of the labor and the industry of America.

It would be a mere waste of time, a mere display of a little industry, perhaps, to take up the agricultural schedule and point out what the present rates are and what the bill provides. I dismiss the agricultural schedule by saying that there are scores of items in the bill where the rates are increased over the present law. There is not a farmer in my State or in any other State that has not asked for, petitioned, and prayed, and is praying now, for the rates on agricultural products fixed in this bill. In a word, under the phrase "agriculture" the great dairy industry, the poultry industry, the fruit industry, wool, cattle, and almost innumerable articles raised and produced, not in California only, but in other States as well, all these items found in the agricultural schedule are receiving, not inordinate, not unjust, not unnecessary protection, but are receiving, I claim, at least adequate protection as against like articles imported from abroad. The same observation can be made in regard to the mining industry. The same statement can be made in regard to the items in the manufacturing schedule.



I have not time to read it, but I will ask to have incorporated as a part of my remarks section 336 of the bill as reported by the conference committee.

The PRESIDING OFFICER (Mr. Fess in the chair). Without objection, it is so ordered.

Section 336 is as follows:

SEC. 336. Equalization of costs of production: (a) Change of classification or duties.—In order to put into force and effect the policy of Congress by this act intended, the commission (1) upon request of the President, or (2) upon resolution of either or both Houses of Congress, or (3) upon its own motion, or (4) when in the judgment of the commission there is good and sufficient reason therefor, upon application of any interested party, shall investigate the differences in the costs of production of any domestic article and of any like or similar foreign article. In the course of the investigation the commission shall hold hearings and give reasonable public notice thereof, and shall afford reasonable opportunity for parties interested to be present, to produce evidence, and to be heard at such hearings. The commission is authorized to adopt such reasonable procedure and rules and regulations as it deems necessary to execute its functions under this section. The commission shall report to the President the results of the investigation and its findings with respect to such differences in costs of production. If the commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the differences in the costs of production of the domestic article and the like or similar foreign article when produced in the principal competing country, the commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize such differences. In no case shall the total increase or decrease of such rates of duty exceed 50 per cent of the rates expressly fixed by statute.

(b) Change to American selling price: If the commission finds upon any such investigation that such differences can not be equalized by proceeding as hereinbefore provided, it shall so state in its report to the President and shall specify therein such ad valorem rates of duty based upon the American selling price (as defined in section 402 (g)) of the domestic article, as it finds shown by the investigation to be necessary to equalize such differences. In no case shall the total decrease of such rates of duty exceed 50 per cent of the rates expressly fixed by statute, and no such rate shall be increased.

(c) Proclamation by the President: The President shall by proclamation approve the rates of duty and changes in classification and in basis of value specified in any report of the commission under this section, if in his judgment such rates of duty and changes are shown by such investigation of the commission to be necessary to equalize such differences in costs of production.

(d) Effective date of rates and changes: Commencing 30 days after the date of any presidential proclamation of approval, the increased or decreased rates of duty and changes in classification or in basis of value specified in the report of the commission shall take effect.

(e) Ascertainment of differences in costs of production: In ascertaining under this section the differences in costs of production, the commission shall take into consideration, in so far as it finds it practicable:

(1) In the case of a domestic article: (A) The cost of production as hereinafter in this section defined; (B) transportation costs and other costs incident to delivery to the principal market or markets of the United States for the article; and (C) other relevant factors that constitute an advantage or disadvantage in competition.

(2) In the case of a foreign article: (A) The cost of production as hereinafter in this section defined, or, if the commission finds that such cost is not readily ascertainable, the commission may accept as evidence thereof, or as supplemental thereto, the weighted average of the invoice prices or values for a representative period and/or the average wholesale selling price for a representative period (which price shall be that at which the article is freely offered for sale to all purchasers in the principal market or markets of the principal competing country or countries in the ordinary course of trade and in the usual wholesale quantities in such market or markets); (B) transportation costs and other costs incident to delivery to the principal market or markets of the United States for the article; (C) other relevant factors that constitute an advantage or disadvantage in competition, including advantages granted to the foreign producers by a government, person, partnership, corporation, or association in a foreign country.

(f) Modification of changes in duty: Any increased or decreased rate of duty or change in classification or in basis of value which has taken effect as above provided may be modified or terminated in the same manner and subject to the same conditions and limitations (including time of taking effect) as is provided in this section in the case of original increases, decreases, or changes.

(g) Prohibition against transfers from the free list to the dutiable list or from the dutiable list to the free list: Nothing in this section shall be construed to authorize a transfer of an article from the dutiable list to the free list or from the free list to the dutiable list, nor a change in form of duty. Whenever it is provided in any paragraph of Title I of this act, or in any amendatory act, that the duty or duties

shall not exceed a specified ad valorem rate upon the articles provided for in such paragraph, no rate determined under the provisions of this section upon such articles shall exceed the maximum ad valorem rate so specified.

(h) Definitions: For the purpose of this section—

(1) The term "domestic article" means an article wholly or in part the growth or product of the United States; and the term "foreign article" means an article wholly or in part the growth or product of a foreign country.

(2) The term "United States" includes the several States and Territories and the District of Columbia.

(3) The term "foreign country" means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions).

(4) The term "cost of production," when applied with respect to either a domestic article or a foreign article, includes, for a period which is representative of conditions in production of the article: (A) The price or cost of materials, labor costs, and other direct charges incurred in the production of the article and in the processes or methods employed in its production; (B) the usual general expenses, including charges for depreciation or depletion which are representative of the equipment and property employed in the production of the article and charges for rent or interest which are representative of the cost of obtaining capital or instruments of production; and (C) the cost of containers and coverings of whatever nature, and other costs, charges, and expenses incident to placing the article in condition packed ready for delivery.

(i) Rules and regulations of President: The President is authorized to make all needful rules and regulations for carrying out his functions under the provisions of this section.

(j) Rules and regulations of Secretary of Treasury: The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles of the class or kind of articles with respect to which a change in basis of value has been made under the provisions of subdivision (b) of this section, and for the form of invoice required at time of entry.

(k) Investigations prior to enactment of act: All uncompleted investigations instituted prior to the approval of this act under the provisions of section 315 of the tariff act of 1922, including investigations in which the President has not proclaimed changes in classification or in basis of value or increases or decreases in rates of duty, shall be dismissed without prejudice; but the information and evidence secured by the commission in any such investigation may be given due consideration in any investigation instituted under the provisions of this section.

Mr. SHORTRIDGE. It will be seen that section 336 deals with the flexible provision of the tariff bill. It is too lengthy to read, because time is running swiftly and other Senators are waiting impatiently, but I ask the Senate and the country to read it. I hope the press of the Nation will be able to carry the section, along with a copy of the whole bill. This section 336, the flexible section of the tariff bill, is the one to which I invite special attention.

With the utmost respect, not feigned respect, but the sincere respect that I have for Senators, who is it that is opposing this legislation as of this hour. When I use the words "free trader," it is not as an opprobrious term. I do not mean it as offensive. For brevity, however, in American politics and American history and American legislation "free trader" has come to mean or has meant that man who believes that the prime purpose of tariff duties should be limited to the raising of revenue only, with incidental protection. No one will rise here, no one has risen and admitted that he is a free trader, because so to do would, I think, discredit him in the eyes of the people who sent him here.

I say with respect, however, that nine-tenths of the arguments which have been made on the floor of the Senate in opposition to this bill are the old, time-worn, discredited, tattered, and torn free-trade arguments. With that, perhaps I have said enough, but I repeat that the free trader here in disguise and the free trader elsewhere in editorial chair are united in opposition to this protective tariff bill.

Who else are opposed to the bill? The importers of the country are opposed to it. I am not assailing them; I am not slandering them. I am not feeling personally unkindly toward them. But the importers of the Nation, of course, are opposed to the bill, because they think it will to some degree shut out importations in which they are interested. Who else are opposed to this bill? Gentlemen with large investments abroad—poor men, who have only a few hundred million or a billion or two dollars—are opposing this bill, because it has been made a matter of record that they are investing abroad and seek to import into the United States articles made by the employment of cheap labor in foreign countries.

Who else are opposed to this bill? Foreign producers, Mr. President, are opposing this bill, and for manifest reasons. Producers in France, in Italy, in Belgium, in Czechoslovakia, in



Norway, in Sweden, in England, in Japan, and in China are opposing this bill, because they want to get into the American market with their goods. Their opposition does not excite my wonder. I point out, however, that they are animated by a natural desire to prosper, and therefore they are opposing this bill and spreading propaganda against it. Their official representatives abroad and here—and here improperly—are openly opposing this bill.

Who else? It may be these are blinded partisans who are opposing this bill who think that by so doing they can advance the welfare of their own party organization. Ah, Mr. President, a very great man remarked that he serves his party best who serves his country best. I hold that we should not think of party advantage or disadvantage; whether the passage of this bill shall contribute to the strength of the Republican Party or its weakness, to the strength of the Democratic Party or its weakness, we should not think of those things here this day in the Senate; but if it be permissible to think of party advantage, then, fear not, Mr. President, the passage of this bill, contributing to the welfare of the American people, will strengthen and continue in control of this Government the great party under whose banner you and I are so proud to stand, for this bill will set in motion business now idle; will give employment to men now out of work; in a general sense, will contribute to the welfare of the American people, and by so doing they will continue in control of this Government the party which has stood and stands for protection.

Mr. President, an examination of the record justifies me in saying to my Democratic brothers across the imaginary line of division that they are estopped from criticizing this bill. I will not take time to call attention to the record of brother Senators; I refer to it with a certain hesitation; and I hope it will not be regarded by them as offensive or improper to have appear in the RECORD a statement showing the votes of Democratic Senators in favor of raising rates, and also their votes against a decrease of rates, in order that it may hereafter be understood how they voted. When it shall be so understood, I shall say hereafter and elsewhere that they are severally estopped from opposing or criticizing the bill because so many of them, rightly, properly, stood up here in the Senate Chamber and argued in favor of an increase of rates upon various and sundry articles.

In the Committee on Finance—if it be proper to refer to proceedings there—the ablest arguments in favor of tariff rates and increases of tariff rates were made by learned, thoughtful, and thoroughly American Democratic Senators. Here in this body, with facts and figures and logic and persuasiveness they convinced some of their own party associates and many Republicans that they should vote in favor of increased rates on agricultural commodities and also upon manufactured articles as well as those produced by mines, either in their State or elsewhere in the United States. I have in mind each and all of those learned men and I have complimented, if I may compliment them; I have praised them; I have said, and I say again, that in so doing they showed themselves to be thorough American Senators.

I allude to this record now to repeat that, having stood up here as they did and argued and voted for increased rates upon so many articles, they are estopped, as we would say in court, from criticizing or opposing this bill.

I know that the legislature of one great State in the Union, the State of Mississippi, to which I have so often referred, adopted a resolution calling upon Congress and immediately calling upon its distinguished Senators in this body to favor taking from the free list a great agricultural product of that State and of the South and West, long-staple cotton, and placing it upon the protected list at 7 cents a pound. I do not allude to that to embarrass Senators; but I want the country to remember it. Many Senators who inveigh against and denounce this bill overlook the fact that their States prayed for the very protection which a Republican Senate and a Republican House and, I venture to believe, a Republican President will give to them.

I, of course, know that Senators might reply and say that there are evils in the bill which overturn the benefits given; I appreciate all that.

As to the mining schedule, who was it that stood here with his logical mind, his argumentative mind, and urged an increase of the duty on manganese ore? It was the Senator from Montana [Mr. WALSH]; and a Republican Senate provided an increased duty on manganese ore. I ask to have incorporated in the RECORD a statement which shows the number of votes for increases and against decreases in rates cast by the several Senators to whom I have thus—and I am sure in respectful terms—referred.

A table showing the votes of the 39 Democratic Senators on the tariff bill during the months of its consideration by the Senate:

Votes of Democratic Senators

Sensors	For increases	Against decreases
Ashurst.....	19	13
Barkley.....	5	7
Black.....	5	7
Blease.....	2	3
Bratton.....	24	13
Brock.....	5	10
Broussard.....	39	64
Caraway.....	7	2
Connally.....	21	12
Copeland.....	19	35
Dill.....	17	22
Fletcher.....	27	8
George.....	9	6
Glass.....	1	2
Harris.....	11	4
Harrison.....	4	4
Hawes.....	9	23
Hayden.....	19	15
Heflin.....	13	9
Kendrick.....	63	10
King.....	1	1
McKellar.....	12	14
Overman.....	1	3
Pittman.....	25	19
Robinson, Arkansas.....	1	0
Ransdell.....	34	44
Sheppard.....	32	12
Simmons.....	2	4
Smith.....	0	1
Steck.....	14	10
Stephens.....	9	3
Swanson.....	4	4
Thomas, Oklahoma.....	17	15
Trammell.....	21	23
Tydings.....	3	9
Wagner.....	10	23
Walsh, Mont.....	6	8
Walsh, Mass.....	9	10
Wheeler.....	6	12

Some days ago, Mr. President, I expressed myself concerning this pending legislation. Not to detain the Senate by reading my remarks, I ask that I may incorporate them in the RECORD at this point, and as if spoken now.

The PRESIDING OFFICER. Without objection, permission is granted.

Mr. SHORTTRIDGE. Manufactures, mining, agriculture—each is an American industry, and the products of each should be adequately protected from competition with the products of cheap and poorly paid foreign labor.

With our scale of wages and standard of living we can not compete even in our own market with the products of cheap labor of other and less happy countries.

A tariff properly adjusted to conditions benefits both city and farm and gives profitable employment to all.

Whether the tariff act of 1922—the existing law—is to be “amended” or “revised,” it is perfectly manifest that certain products of the American farm, the American mine, and the American shop need additional protection. It is equally manifest that certain importations now on the free list should be subjected to tariff duties.

What the American people want is a tariff that protects.

Protects what?

Protects whom?

They want a tariff that protects American-raised, American-mined, American-manufactured products and American men and women from competition with like foreign products raised, mined, or manufactured by cheap foreign labor.

They want a tariff that keeps the American market for the American producer.

Such a tariff means prosperity for all—American producer and American consumer alike.

Such a tariff makes the city a profitable market for the farm; such a tariff makes the farm a profitable market for the city.

Manifestly, if the city languishes, the farm suffers; if the farm fails, the city shares the loss. They rise or fall together.

Every theory should be judged by its fruits. Judge these two theories of tariff legislation by their fruits, by known and experienced results.

The free-trade theory has cursed America.

The protective theory has blessed America.

If the free-trade theory were now put into operation, it would bankrupt America.

That theory would ruin our vast manufacturing industry.

That theory would ruin our great agricultural industry.

There is not a State in the Union that would profit by that theory.



There is not a city or a village that would profit by that theory. There is not a farm, an orchard, or a field in America that would profit by that theory.

What is true of California is true of other States as to their agricultural and other industries. We can not compete with imports from cheap-labor countries, nor can Florida, nor can Maine, nor can New York. The American farmer can not, the American miner can not, the American manufacturer can not survive in competition with cheap labor and hence cheap producing countries.

Is it desirable to close our mills and mines and turn out of employment American citizens? Is it desirable to cause our farms to be abandoned? Is it desirable to reduce wages of skilled and unskilled labor to foreign levels?

If so, reduce tariff duties, strike down the American protective-tariff theory, and put into operation the British free-trade theory.

Is it good policy to surrender the American consuming market to the foreign producers?

If so, wipe out all tariff duties and let foreign products pour into America.

Is it statesmanship to destroy any American industry, be it agriculture, mining, or manufacture?

If so, Washington was not a statesman, Henry Clay was not a statesman, Abraham Lincoln was not a statesman, James G. Blaine was not a statesman, William McKinley was not a statesman, Theodore Roosevelt was not a statesman, Calvin Coolidge is not a statesman, Herbert Hoover is not a statesman, for each and every one of these great men, dead and living, have striven and strive not to tear down but to build up, not to destroy but to encourage and keep alive American industries, whereby American labor may find profitable employment and thereby enjoy a better and a happier life.

The Republican platform adopted at Kansas City contained this plank:

We realize that there are certain industries which can not now successfully compete with foreign producers, because of lower foreign wages and a lower cost of living abroad, and we pledge the next Republican Congress to an examination and, where necessary, a revision of these schedules, to the end that American labor in these industries may again command the home market, may maintain its standard of living, and may count upon steady employment in its accustomed field.

The American people by an overwhelming majority indorsed that plank and the principles and policies of government therein expressed. I scarcely need to add that I indorse that plank in the Republican platform and shall endeavor to have it carried into effect through the tariff bill which is now under consideration by the Senate.

Mr. President, I think to-day as I then thought. This bill carries out the pledge of the Republican Party. This bill deserves the support of every Senator who accounts himself a Republican. This bill deserves the support of every protectionist. And in view of their votes in favor of protective rates this bill deserves and should receive the support of many, if not all, Democratic Senators.

But it is urged as an excuse or reason for not supporting it that the bill is not perfect, that it gives a little too much protection on this item or withholds a needed protection on that. It may be conceded that the bill, which deals with so many and of such variety of items and administrative provisions, is not absolutely perfect or entirely satisfactory to each and every Senator. And it may be frankly conceded that with a House of 435 Representatives and a Senate of 96 Members agreement was reached as to some items and provisions in the bill by way of concession or compromise. The Constitution under which we live was the result of compromise. But for the spirit of compromise in the minds and hearts of those revered men who framed the Constitution in Philadelphia, and in the minds and hearts of the members of the several conventions of the then thirteen States, we know that that great instrument of government never would have been framed or adopted. Yes, Mr. President, we know that in human affairs it is necessary to have and to exercise a spirit of compromise, certainly where there are divergent views and men of character hold to antagonistic theories. It may well be that there have been compromises here, the conferees of the House holding to a given rate on a given item, the conferees of the Senate holding to a different rate as to that particular item. In such a case—and there were many—there was nothing for conferees to do but to compromise, to give or take, to accept in whole, reject in whole, or to compromise as between the two extremes. So that the bill is now before us somewhat in the nature of a compromise touching hundreds—indeed, thousands—of items and as to certain provisions. But when we bear in mind that this bill contains the flexible provision found in section 336, we may

satisfy some who think that perhaps a given rate is too high or too low. If there be those who think a rate is too high, they have their remedy. If there be those who think a rate is too low, they have their remedy. I think they are too low in many instances, but if so, there is a remedy.

I have said heretofore that I am not particularly enamored of this flexible tariff provision. It never was heard of in a tariff bill until 1922; but, in the greater wisdom of others, it has been deemed proper to have a flexible provision in a tariff law, and we have one in this bill, and I accept it. Of course, we can not take the tariff out of politics in the sense that partisanship will be utterly eliminated; but we ought to consider tariff legislation without regard to partisan advantage. The flexible tariff provision provides for a tariff commission which is to be made up of six members drawn from the two great parties, the Republican and the Democratic. Their powers and duties are specifically laid down, and the power and duty of the President is specifically set forth. If—which I do not admit—but if there is a rate that is too high, or one too low, the remedy is at hand; for I assume that the President will name three capable, patriotic, in every way worthy Democrats and three Republicans of like competency and character to sit on the Tariff Commission. I assume that they, under their oath, will follow the law and make certain findings and reach certain conclusions, and submit those findings and conclusions to the President; and I know that he will do his duty in the premises. Therefore, let no one be disturbed lest there be in the bill soon to become a law some defect, for the remedy is at hand. Let us hope, let us believe, that this legislation will contribute to the welfare and happiness of the people of every State in the Union.

I apologize to Senators whom I have kept waiting.

Mr. McNARY. I ask unanimous consent that when the Senate concludes its work to-day it recess until 11 o'clock to-morrow morning.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none and it is so ordered.

Mr. HATFIELD. Mr. President, the State of West Virginia, represented in this body by my distinguished colleague, Senator Goff, and myself, is greatly interested in the passage of a tariff bill which will adequately protect all American industries, whether they be agricultural or industrial.

The people of West Virginia, who have honored me with election to this body, are vitally interested in the welfare and prosperity of our State and Nation. Representing the expressed wishes of the people of West Virginia, Senator Goff and myself have used our best efforts at all times to secure the passage of a protective tariff act which would be helpful to the people of West Virginia as well as to the other people of the Nation.

The prosperity of my people is dependent upon the industrial and agricultural prosperity of our country.

In studying the needs of our people, I was glad to note in the hearings before the Ways and Means Committee and the Senate Finance Committee that representatives of the organized workers, both industrial and agricultural, had forcibly and publicly made known that the organized American workers almost unanimously demanded the passage of a protective and not a competitive tariff act.

These representatives of the American workers are interested, as all good Americans should be, in promoting American prosperity. The history of our country will show that our country under a protective tariff or Republican Party system has been prosperous, while the reverse has been true when the Democratic free-trade or competitive-tariff party was in power.

In passing, I might suggest to my free-trade or competitive-tariff colleagues in this body, and to their associates who seek membership in this body on the pretense that they are friendly to and interested in the welfare and prosperity of the organized American workers, whether these workers be in industry or on the farm, that when the record of the competitive-tariff group in this Congress is compiled it will need a lot of explaining to American voters when the next election rolls around.

The workers of to-day, realizing the difference in wages and conditions existing in America as compared with the wages and conditions of the workers in Europe and Asia, will no doubt indorse the views expressed by former Speaker Hon. Thomas B. Reed, who, in his discussion of the Wilson-Gorman Tariff Act on February 1, 1894, stated:

I confess to you that this question of wages is to me the vital question. To insure our growth in civilization and wealth, we must not only have wages as high as they now are, but constantly and steadily increasing. In my judgment, upon wages and the consequent distribution of consumable wealth are based all our hopes of the future and all the possible increase of our civilization. The progress of this Nation is



dependent upon the progress of all. The fact that in this country all the workers have been getting better wages than elsewhere is the very reason why our market is the best in the world, and why all the nations of the world are trying to break into it.

In my study of the tariff subject since I have been a Member of this body, I have been impressed with the ramifications and the interrelations of the varied industries of our Nation. Their dependence upon one another is no less than the dependence of the individual man. In my study of the individual rates that affect American industries, I have found that there are no unrelated industries in America.

I decided that it would be interesting, and possibly instructive, to review the industrial growth of our country; and for the benefit of the generation that have grown up in the past 30 years it is my intention in a brief way to review the past, beginning back with the first tariff measure adopted by Congress.

This perusal of history has indeed been a revelation to me; and I marvel at the foresight shown by those who have guided our Nation in the past, with no historical precedents to follow in their decisions, which meant so much to the success or failure of our new and growing Nation in the early period of its development.

In this address, in comparing our past with our present industrial and financial condition as a nation, I hope to accomplish a threefold purpose:

First, to show the value of adequate protection to American labor, industry, and agriculture;

Second, the disastrous effects always produced by tariff reduction;

Third, to offset and show the source of the false propaganda and criticism now being circulated against the Hawley-Smoot bill.

I believe in the principles of protection invoked by the fathers who founded this Government. I strive to be national in my views. I am determined that no American shall ever have occasion to say that I voted to withhold from American labor and American industry the advantage in our own market over every foreign competitor. I would protect the standard of wage of every American wage earner by giving to every American producer, whatever his chosen field of endeavor, at least the advantage in the intense race for American trade.

Much has been said, well calculated to arouse antagonism, not to say hatred, between sections of our common country. What on this floor is known as industry has been arrayed as the avowed enemy of agriculture. One hundred years ago the same political tactics were adopted. The tariff then, as now, was the issue to arouse hatred on the part of the planters toward the manufacturers.

These methods were then successful, with results that none would wish repeated. America, let me urge, is one great family, and in a very true sense Americans are all kin folks. He who teaches otherwise does not know the true meaning of Americanism.

The substance of this narration is a combination of excerpts taken from facts and put together to portray, in a brief way, our national progress from the beginning of our Government industrially, socially, and economically to the present time.

In my short period of service in this body, and especially since the beginning of the discussion of the tariff bill, I have been trying to find out the justification for the seeming hatred of industries generally, and the more or less dislike for the States where they are most populous. I have also attempted to trace the same seeming antipathy, as indicated here, back through the tariff legislation of the past, with the thought of showing conclusively that in America there are no unrelated industries. Exactly as the farmer is the manufacturer's most reliable customer, so the pay roll of America, now more than twice that of all the rest of the world, affords the only dependable market for the food products of the American farm.

The industrial history of America establishes beyond cavil each of the following propositions, the burden of proving which I willingly assume:

First. Every manufacturing undertaking in the United States was assured of ample tariff protection on its product before the industry was established. In other words, I claim that the Republican Party is entitled to the credit for every manufacturing enterprise established in this country since 1861. If any Senator on the other side will name a single industry that the Democratic Party has fostered and protected, save and except the admonition given by President Wilson regarding the protection and development of the chemical industry, now becoming such a colossal giant industrially in America, I will welcome a correction of this statement.

Second. Whenever tariff rates have been revised upward industry and commerce have promptly responded, and the party

responsible has never lost control of the machinery of our Government except at the zenith of its achievement.

Third. Whenever tariff rates have been revised downward, however slightly or gradually, industrial ruin has ensued, and the party responsible for the downward revision has invariably and always lost control amid popular execration.

Fourth. Per capita importations are always larger when American producers are given ample security against foreign competition than under tariff for revenue only. To his historic fact there never has been an exception, and there never will be one, in my judgment. Secretary Mellon was correct when he said and proved in his first statement on the tariff question in 1926:

The volume of imports is controlled by the purchasing power of the Nation rather than the rate of import duty assessed.

In this statement Secretary Mellon, recognized as a successful business man, said:

The trend of trade during the past few years convincingly confirms the contention that the volume of imports is controlled by the purchasing power of the Nation rather than the rate of import duties assessed. An unparalleled combination of high wages and industrial activity has raised the purchasing power of the people of the United States to new high levels, which has brought about increased consumption of commodities of practically every description.

An individual out of employment, generally speaking, is without purchasing power and is a detriment rather than an asset to his community. Likewise, a nation out of employment is a detriment to the rest of the world. Conversely, a man well employed reflects prosperity and is a benefit to his community, and a nation well employed reflects prosperity on other countries. A fair survey of facts can not lead to a conclusion other than that the economic policies of the United States, and their resulting industrial activity and prosperity, have played a leading rôle in aiding the world to recover from losses and damage wrought by the war.

In the light of experience the contention can not be sustained that reduced duties on competitive products would increase the aggregate quantities of all things consumed in the United States. On the other hand, the evidence is most convincing that the converse would obtain. Assuming that temporarily the importation of competitive products would increase with reduced duties and that the consumption of such commodities in this country would not increase but would decline, it would mean but one thing, and that is that American labor would be deprived of making these commodities to the extent of the increase in the imports plus the decrease in consumption. The decrease in consumption and the increase in imports would all be at the expense of American industry—it would be at the expense of the purchasing power of this Nation and eventually would reduce this country's purchases of foreign products, whether competitive or noncompetitive, dutiable or free.

Under the present law, generally speaking, competitive articles are dutiable and noncompetitive articles free of duty.

It is fallacy to assume that reduced import duties will enable this country to increase its purchases abroad, for the measuring stick is the Nation's purchasing power and not the amount of duty assessed. With business activity and high wages, the United States will continue to be of great economic benefit to other nations; but any economic policy that will occasion unemployment in the United States and reduce its purchasing power will diminish this country's consumption of commodities and cause large surpluses of the world's principal products and result in serious financial losses to them. A cut in the tariff would materially reduce rather than increase our purchases abroad; it would not enable foreign countries to sell more in the American market but would prevent them from selling as much; it would not help certain foreign nations to recover from the losses occasioned by the war, but would retard such recovery.

Consider again what our tariff policy has meant to American labor. I know personally of one manufacturing company which has plants in France, in Brazil, and in the United States. The wages paid labor to-day at these three plants reduced to American currency are as follows: Unskilled labor get in France 7½ cents an hour; in Brazil, 12½ cents; in this country, 40 cents. Skilled labor, 10½, 21, and 65 cents, respectively. In other words, a laborer in this industry gets six times more per hour in America than he does in France for the same kind of work. Can it be to the interest of the United States that equality be established by the removal of the protection of the tariff?

As an example, I might cite the case of the Aluminum Co. in America. The raw product of aluminum is bauxite, deposits of which occur in the United States, in British Guiana, and in many other countries of the world. The principal cost of the manufacture of aluminum is electric power and labor. The cheapest power in the world is hydroelectric; the cheapest labor is foreign. The Aluminum Co. has many power properties in the United States, but others in foreign countries, and the largest power of all is now being developed in Canada. From its plants in the United States the American market is supplied; from its



plants abroad the foreign market is supplied. If the present tariff on aluminum is maintained, developments for the expansion of the domestic business will be made in the United States. If the tariff be removed, these developments will occur in foreign countries and part of the American market will be supplied from abroad. The effect of removing the tariff on aluminum would not in the least be to hurt the Aluminum Co. but to deprive the United States of the benefit of enlarged manufacturing here. Less capital will be invested here and less labor employed.

This same condition holds true of a great many other large manufacturing industries in the United States. If the tariff is taken off, a larger share of manufacturing will be done abroad, where the costs are less.

The United States is the largest customer in the world to-day. If we were not prosperous and able to buy, Europe also would suffer. It is inconceivable to me that American labor will ever consent to the abolition of protection which would bring the American standard of living down to the level of that in Europe, or that the American farmer could survive if the enormous consuming power of the people in this country was curtailed and his market at home destroyed.

The standard of living of Europeans is quite different from the standard of living of the United States. Unless we are willing to bring our standard in America down to the level of that of Europe, we can not consider a change in our tariff, however desirable such a change may seem to Europe.

Our tariff policy has been mainly responsible for the development of manufacturing in America. Our tariff policy has brought to labor the highest real wages in history. The development of manufacturing has been accompanied by improved methods and quantity production, and we have been able to make and distribute at a relatively low price, considering the high cost of labor. High wages have created a great consuming population, which has been the principal factor in our reaching quantity production. A study of the industries in this country shows a very small margin of profit per unit and large profits in the aggregate possible only through large turnovers. These reasons, I think, account for the present exceedingly prosperous condition generally of our country.

The views I have just read are those of Secretary Mellon, who, all will agree, has demonstrated that he has been a successful business man.

Fifth. Exports of agricultural products are not even stimulated by either revenue or competitive tariffs. On the contrary, the value of agricultural exports invariably decreases when imports supplant American production, cut our pay roll, restrict the purchasing power of the people, and force prices to the bottom.

The First Congress of the United States was composed largely of farmers, and they were wise men. They understood full well that if all Americans were to remain tillers of the soil it would be vain to plant or sow except for their immediate families. Therefore, as everyone knows, the first legislative act of that First Congress of farmers and planters was the enactment of a protective tariff bill, introduced by James Madison, of Virginia, the preamble of which contains this phrase:

For the encouragement and protection of manufacturers.

The fathers were wise enough to recognize that in America there could be no unrelated industries.

That protective tariff worked so well that President Washington in a subsequent message said:

Agriculture, commerce, and manufactures prosper beyond example. Every part of the Union displays indications of rapid and varied development, and with burden so light as scarcely to be perceived. It is not too much to say that our country presents a spectacle of national happiness never surpassed.

When our country entered the War of 1812, what might be called an emergency tariff was enacted, in which the existing rates were nearly doubled.

Mr. President, I know of no better way to prove the benefits of this revision upward than to quote Woodrow Wilson on the tariff. In his *History of the American People* he records—

That during a single year of this high protective tariff fully \$50,000,000 was invested in the textile industry. Distinct manufacturing regions—

He says—

been sensibly to develop. Nearly everything in common use was added to the growing list.

Up to that time there had been no unrelated industries. When the war was over Congress reduced these emergency rates of duty. The effect was exactly what it was when the Wilson-Gorman competitive tariff bill was passed, exactly what it would have been but for the war, when the Underwood-Simmons competitive tariff bill was enacted, and what it would be in 1930 in case the rates prescribed by the coalition had been

successful in this bill, resulting in foisting upon the country another so-called competitive tariff.

I quote from Senator Gallinger's speech in the Senate on May 16, 1894, when he said, referring to conditions in 1816:

Then great depression in all branches of business followed. Bankruptcy soon became general, and financial ruin was everywhere present. It could not be otherwise. Carey, Greeley, Clay, Benton, and others show that this was one of the most distressful periods of our national existence. Senator Benton, of Missouri, the leading Democrat of his time, describes our first experience in tariff reduction thus: "No price for property; no sales except those of the sheriff and the marshal; no purchasers at execution sales except the creditor or some hoarder of money; no employment for industry; no demand for labor; no sale for the products of the farm; no sound of the hammer, except that of the auctioneer knocking down property. Distress was the universal cry of the people; relief, the universal demand, was thundered at the doors of all legislatures, State and Federal."

Horace Greeley, speaking of what ensued, stated:

Our manufacturers went down like grass before the mower; agriculture and labor soon followed. In New England fully one-fourth of all property went through the sheriff's mill, with conditions about the same elsewhere.

Still no unrelated industries in America.

Woodrow Wilson, after reviewing the disaster that followed revision downward, says in his history:

The remedy was a protective tariff, such as Hamilton had recommended.

Former Secretary Shaw, in referring to Woodrow Wilson, stated:

This is probably the only word of tolerance ever expressed by Wilson favoring the principles of protection or the acknowledgment of any merit in the teachings of Alexander Hamilton that ever escaped the lips or pen of him who, in signing the Underwood-Simmons competitive tariff, declared, "A great service has been rendered the rank and file," and who, in a speech in Detroit, wanted American industries "pitted against the world," and who, in his 14 conditions of peace, demanded that the war be continued until all economic barriers are removed, and who vetoed an emergency tariff while the law which he had approved was cutting the American pay roll more than \$100,000,000 per week.

Yes; a protective tariff was the remedy, and Mr. Wilson was generous enough to record the fact.

This law was passed in 1824. It was enacted on the recommendation and received the signature of President Monroe. It was revised and strengthened on the advice of John Quincy Adams in 1828, and both these protective tariff bills were supported and voted for by Andrew Jackson, then Senator from Tennessee. In support of his position Senator Jackson used this strong and characteristic language:

It is time, sir, we should become a little more Americanized, and instead of feeding the paupers of England feed our own people, or else in a short time we will be paupers ourselves.

The effect of tariff protection in changing conditions from what they were when, according to Senator Benton, there was "no sound of the hammer, except that of the auctioneer," is correctly expressed by General Jackson, then President, in his message of 1832. He said:

Our country presents on every side marks of prosperity and happiness, unequalled perhaps in any other portion of the world.

This brings me to the origin of the spirit of antagonism to industry, which for 100 years has deprived the blessed Southland of her full share in the prosperity of the country and has deprived the Nation of the wonderful assistance that might have resulted had all sections worked together.

John Randolph, of Virginia, is entitled to be enthroned as the patron saint of the Democratic attitude toward industries. Opposing with all his strength the protective tariff of 1824, he said:

It is only in such a climate as England that the human animal can bear without extirpation the corrupting air, the noisome exhalations, the incessant labor of these accursed manufactures. Yes, sir, I say accursed, for they are an accursed thing.

I think, Mr. President, I am safe in saying that even the furious John Randolph would have written a better tariff plank than those found in the two last platforms of the Democratic Party. In his rage he would have visited upon American industries nothing worse than "effective competition," which the platform of 1824 promised to promote and the platform of 1928 promises to permit.



For more than a quarter of a century the political slogan of the opposition has been: "Tariff for revenue only." This seems to be giving place to that more embittered term: "Tariff for effective competition." Are we to expect they will also modify their oft-repeated platform declaration?

It is a fundamental principle of the Democratic Party that the Federal Government has no right or power under the Constitution to levy or collect tariff duties except for purposes of revenue only—

To read—

except for the purpose of subjecting American labor, industry, and agriculture to effective foreign competition.

I am willing to concede that few, if any, of the members of the opposition, whether elected to their positions of honor as Democrats or Republicans, would murder American industries with "malice aforethought." The ultimate result of the rates suggested by them, if carried into effect, would mean forced industrial malnutrition to the country and would be fatal wherever effective.

At this time it would be well to note the attitude and the analysis made by the spokesman for American labor on the selfish position of the free-trade economists.

Mr. President, a few weeks ago I had occasion to read an analysis of the much-advertised criticism of the economists and college professors. The analysis was made by Mr. Matthew Woll, chairman of the tariff group of the American Federation of Labor. In passing, I might say that I have yet to see any effective answer to Mr. Wolf's very well prepared statement.

I am going to quote just a short excerpt from that statement, which should interest every Member of this body:

America's workers, during the recent national election, were assured by both political parties that the American standards of living and wages would be protected and enhanced. In order that these assurances may be fulfilled effectively, it is essential that proper and adequate tariff duties be levied on the foreign-made products which compete in the American market, with the products of America's workers.

An important and ever-increasing dangerous factor has been entirely overlooked or designedly disregarded by these protesting economists and college professors. Prior to the World War many of the foreign nations were almost wholly dependent upon their agricultural activities and products. A number of these countries are now energetically engaged in industrial activities and an increasing number of European nations are emerging into great industrial nations.

In so doing they have equipped their plants and factories with the most modern machinery. In a number of cases their mechanical equipments are of a more efficient type than can be found in American factories. In addition, many of these factories are not alone supervised by American engineers but are owned by American capital.

The fact that the last Democratic platform borrowed the phrase "difference in the cost of production at home and abroad" from the Republican platform of 1908 has led many of the unthinking to assume that they have changed their attitude toward industry. If, perchance, there was some uncertainty in the minds of some people whether the Democratic Party had changed in its attitude upon the tariff question, there should be no further room for doubt as the record made here in voting for rates to be placed in this bill clearly shows that representatives of the Democratic Party in the Senate would have destroyed many of the industries of this country by placing them on a free-trade or tariff-for-revenue-only basis.

In the early days of the Republic, as now, there were those who favored and preached the doctrine of free trade. Then, as now, there were comparatively few who favored this doctrine.

The international banking houses, the large merchandise distributors, and a small number of planters who were allied with Europe through the sale of cotton constituted the free traders of the past.

Since the World War the free-trade element has added some new recruits to its ranks. These are mainly American manufacturers who have secured or erected large plants in Europe and Asia and the economists and college professors whom we find connected with the educational institutions of our country and acting as advisers for international bankers. The vast majority of our people in 1789, when the first tariff legislation was enacted, were protectionists. It is still true in 1930, and with much greater reason.

This statement is best proven, Mr. President, by the attitude shown by our people whenever the tariff has been made an issue in a national election. Reference has been made to the national election of 1912. It has been claimed that the passage of the Payne-Aldrich bill in 1908 was responsible for the defeat of the Republican ticket in 1912. Anyone informed in history knows that this is untrue. The protectionist vote for 1912 exceeded

the Democratic free-trade vote by 21 per cent, or a total of 1,323,728 popular votes. To obtain the vote that they did for their party nominees, the Democratic Party deemed it good politics in 1912, as they did in 1928, to promise the American people a system of tariff protection, which they, in 1913 and again in 1929, proved by the recorded votes of their representatives in Congress to be only promises upon which to secure votes from the rank and file of our people.

The Republican Party was defeated in 1912 because of a division within its own ranks.

The Republican Party, through its organization, has endeavored in the most earnest manner to carry out in good faith the prompt revision of the present tariff law as now presented in the Hawley-Smoot measure, and while the party may be charged with the responsibility of the long delay which has been experienced, it is not entitled to this odium but on the contrary its representatives in the House and Senate have made every endeavor to carry out in good faith the party pledges.

There are some who were elected on the Republican ticket who have failed to carry out party pledges as I read them in the platform. Had they done so, the tariff law would have long since been an actuality. As I read the party pledge regarding tariff, by their failure to vote with the majority of the Republicans, they have not kept the pledge that was made to the American people.

There are many questions on which Republicans may differ. The question of adequate tariff protection to American labor, American industry, and American agriculture should not be among those questions.

In America to-day we have the highest degree of civilization known to men. Our people, even with the present depression, whether they be engaged in industry or in agriculture, enjoy comforts of life unknown to the great majority of workers of Europe and Asia.

America to-day is the Mecca of the world; the land of opportunity for the workers of the world.

There are few, if any, Members of the Senate who to-day would vote to repeal or even modify our restrictive immigration laws, or at least would be willing to permit a greater influx of immigrants.

Yet only a few months ago we found a majority of this body voting to open the doors wide to the products of the labor of those foreigners who themselves are denied admission to our country.

I have voted consistently at all times for a continuation of restrictive immigration, and I would feel that I would be indeed most inconsistent if I voted to close the door to the foreign workers and open it wide to the products resulting from their toil.

During the hearings before the Ways and Means Committee of the House and the Finance Committee of the Senate, the representatives of labor, of agriculture, and of industry appeared openly before the committees, and, under oath, testified to the absolute need, not only of the continuation of the principles of tariff protection but, in many instances, proved the necessity for an increase over the rates now in effect in the tariff act of 1922. In many instances these representatives were not given by the committee what they asked for in the way of protection. Yet we find this revision of the tariff law held up to ridicule by a selfish few. If an investigation were made it would open wide the eyes of the American people as to who are responsible for this unholy alliance resulting in the adverse criticism and propaganda against this measure.

These hearings disclosed the fact that the foundation stone upon which our country rests, as pointed out by workers in industry and in agriculture, is adequate tariff protection. As a Member of this body, I again state that I am happy to be able to face the people of my State and to assure them that at every possible opportunity I have complied with their wishes by voting for constructive Americanism, as I guaranteed I would do when a candidate for the senatorship.

During the discussion of the pending tariff bill great stress has been laid on the needs of agriculture. I believe I appreciate the situation that confronts this basic industry. I want to state that I am convinced the real dirt farmer realizes and recognizes that his prosperity is measured by the prosperity of the country in general.

The American farmer fully realizes that his prosperity is dependent upon the constant demand for his products by those employed in the industries of our country.

With the forge and the furnace ablaze, the spindles turning, and other varied industries busily engaged the farmers know that the toilers in those industries will be able to purchase the products of the farm.



At times one would be led to believe that agriculture alone was in distress, that the only need of legislation was to protect the products of the farm. Yet the same speakers invariably claim that the duties placed on agriculture are ineffective.

If the duties levied on agricultural products are ineffective, why is it that the farm organizations in every State have asked for these rates? They were demanded by the farmers, and Congress has only responded to their wishes.

The American farmers of 1930 realize, as did the American farmers of our early days, that their greatest and most profitable market is the pay roll of American industries.

When the first tariff bill was enacted, our imports came principally from Great Britain and continental Europe. The question of valuation was one which was then easily handled. Today, with conditions far different and with valuations differing greatly, we made, in my opinion, a vital error in not basing all our tariff duties upon a system of American valuation.

It would be fair to all the world and especially fair to American industries, whether they be agricultural or manufacturing. Our present system of valuation discriminates against the products of Great Britain and continental Europe, to the benefit of the Asiatics and to the detriment of those industries in America which we have promised adequately to protect and which are forced to meet the competition of the Asiatics.

Why should we not be Americans in practice as well as in principle? Why should Congress not apply the American yardstick to measure the difference in cost of a commodity at home and abroad? We all know, or should know, that many commodities manufactured abroad have no value in their home country. Such commodities when landed in America after our tariff rate, based by Congress upon foreign valuation, has been added to the foreign value of the commodity, will still dominate the American market against the home product, because they have, if any, but little value abroad.

When Congress passed the tariff bill in 1922 our total imports from all countries amounted to \$2,509,148,000, based on foreign valuation.

The 1922 tariff act was surely in good working order after the close of 1924.

Let me call to the attention of the Senate how false were the prophecies of those who had claimed in 1922 that our foreign import and export trade would suffer. Following the passage of the 1922 tariff act our imports doubled.

Mr. President, at this point I ask to have printed in the Record a table showing our imports and exports since 1920. Our imports, Mr. President, are valued on basis of foreign value while our exports are valued on basis of American value.

The PRESIDING OFFICER (Mr. JONES in the chair). Is there objection? The Chair hears none, and it is so ordered.

The tables referred to are as follows:

In 1921 our imports amounted to.....	\$2, 509, 147, 000
In 1922 our imports amounted to.....	3, 112, 747, 000
In 1923 our imports amounted to.....	3, 792, 066, 000
In 1924 our imports amounted to.....	3, 609, 962, 000
In 1925 our imports amounted to.....	4, 226, 589, 000
In 1926 our imports amounted to.....	4, 430, 888, 000
In 1927 our imports amounted to.....	4, 184, 742, 000
In 1928 our imports amounted to.....	4, 091, 444, 000
In 1929 our imports amounted to.....	4, 400, 126, 000

#### EXPORTS

In 1921 our exports amounted to.....	4, 485, 031, 000
In 1922 our exports amounted to.....	3, 831, 777, 000
In 1923 our exports amounted to.....	4, 167, 493, 000
In 1924 our exports amounted to.....	4, 590, 984, 000
In 1925 our exports amounted to.....	4, 909, 848, 000
In 1926 our exports amounted to.....	4, 808, 660, 235
In 1927 our exports amounted to.....	4, 855, 375, 325
In 1928 our exports amounted to.....	5, 128, 356, 434
In 1929 our exports amounted to.....	5, 240, 994, 767

Mr. HATFIELD. It will be seen from the tables that under what some Senators term a high protective tariff act our imports practically doubled in value, not for one isolated year, but for nine consecutive years.

The figures cover imports from all foreign countries. Were we able to ascertain definitely the actual amount of American goods displaced by the importation of these five billion dollars of foreign-produced goods yearly, I am reliably informed that imports, based on American valuation, would amount to between twelve and fifteen billion dollars each year.

The form of government which we enjoy in America gives the individual citizen the opportunity of securing recognition and climbing to the topmost rung of the ladder in the holding of political office, because of our unlimited franchise, and likewise it offers him the privilege in the intensive race of leadership to reach the highest positions in industry, finance, railroading, agriculture, or any of the varied and numerous responsible

places which are open and can be won largely by individual initiative and a high standard of efficiency.

During the consideration of this bill we have heard much in the way of argument on this floor in defense of the rights of the consumer, but in no instance has a line of demarcation been drawn between producer and consumer.

Mr. President, I have not yet been able to find anyone in America who is not a consumer, and at the same time we are indeed unfortunate if our people do not in some way or other contribute as producers to our political and industrial progress.

The advocates of free trade, of a tariff for revenue only, or of a competitive tariff, either one or all of which theories are in fact promulgated for the sole benefit of those profiting by the distribution and sale in America of foreign-made goods, do not seem to realize that the success of these theories would result in either American industrial workers being denied opportunities of employment, or, at least, being forced to accept employment at wages and under conditions and environments that would make possible the sale of the products of their labor only on the basis of the low wages paid the labor of Europe and Asia.

Is there any Member of the Senate—and I address my question particularly to those friends of American labor who so openly boast of being progressive Republicans or progressive Democrats—who would knowingly vote for a tariff rate which would place American workers upon a parity with the workers of Europe and Asia?

If that were done, what would happen to the agriculturists, whose distress has been so fervently discussed on this floor?

What would happen to the products of the American farmers if the purchasing power of the farmers' greatest market were reduced by lowering the tariff to a point that would permit foreign products to dominate the domestic market and place American workmen upon a parity with the underpaid wage earners of Europe?

Argument has been frequently made on this floor that the farmers—in reality, it applies only to a small percentage of them—sell their products in the world market, and the purchases for their own consumption are made in a protected market. It would, indeed, be very much better for the American farmer, if the industries of our country would develop to such a point that all of his products could be consumed in the American market, for the reason that what he sells in the world market is his surplus and he sells it at a lower price, generally speaking, than he receives in his home market.

The comment is repeatedly made as to the exorbitant prices paid by the farmers for a pane of window glass, a set of tableware, a pound of nails, or a set of harness. No doubt this argument is made for the purpose of attempting to misguide the American farmer and impress him with the thought that he is not being fairly dealt with by the application of the principles of the protective tariff.

The farmer not only possesses knowledge and intelligence, but he possesses wisdom as well, and, in my judgment, the promoter of this kind of logic is fooling no one but himself.

Those who advance such an argument have not stopped to reason logically, as has the farmer, that while he buys such articles not more than once or twice a year, and sometimes not so often, the industrial worker, if he can afford to do it—and his ability depends altogether upon how steadily he is employed and the standard of wage that is paid him—must, as a sheer necessity for the comfort of his home and loved ones, purchase the product of the farm at least once, and those more fortunate, three times each day of the 365 days in the year, and that, too, in a protected market.

Protest was made a few years ago regarding the placing of a tariff rate on nails. At that time the consumer was being charged 7 to 8 cents per pound and the entire product was being imported from Europe. The tariff levied in 1883 was 4 cents on each pound of nails. The charge was made at that time throughout the country that the farmer and the home builder were being robbed. In order to show the fallacy of such a contention, I quote the following from a speech of the late Senator Gallinger on May 16, 1894:

Prior to 1883 we imported all our steel nails; the duty was 1 cent a pound, and the nails cost us 7 to 8 cents per pound. In 1883 the duty was raised to 4 cents a pound and in 1891 we made over 4,000,000 kegs, and exported them to all parts of the world; and our people could buy them at about 2 cents per pound.

Mr. President, reference to those Americans who are directly interested in tariff legislation brings to my mind the question, How many are there who are not interested?



Every American who is interested in the welfare of our country is interested in tariff legislation.

Since the inauguration of Washington we have had tariff legislation in force; and of the 31 Presidents elected since the founding of our Republic, all have been protectionists, with the exception of 5.

The national election records show that the American people have elected protectionist Presidents to serve 111 years, while free trade, tariff for revenue only, or competitive tariff Presidents have been elected to serve only 32 years.

Every time our people have placed the Democratic Party in control of our national legislation we have suffered, due to a lowering of tariff rates. The very fact that, based upon American valuation, approximately between twelve and fifteen billion dollars' worth of foreign goods come into our country each year, most of which can be manufactured by our own workmen, should be convincing proof to any fair-minded person of the need of protective-tariff legislation.

Our present tariff law is not a protective measure to the point of obtaining the greatest results for the happiness, comfort, and contentment of our own people. If it were, we would not find unemployment so great. And the pending bill does not accord that degree of protection which the Republican Party has advocated. There are many rates which do not even equalize the actual difference in costs of production between this and some foreign countries. That is true, for instance, in the case of pottery, glassware, shoes, chemicals, coal, and lumber.

Those who are not hesitant in supporting the platform pledges of the Republican Party surely are not to blame for this condition.

While those who are not producers are not directly in competition with foreign producers, they are indirectly; and were it not for those who are directly in competition the interest which many of us are depending upon for support would have no reason for existence.

In this body are a number of Senators who secured their nomination and election as candidates upon the Republican ticket. When they accepted this nomination and ran as Republicans they, in my judgment, pledged themselves to the party platform and to the principles of the party. A vote for tariff for revenue only does not fulfill the obligation which they assumed when they accepted the nomination, and when the rank and file of the Republican Party selected them as their representatives in Congress.

Their attitude, as expressed by their vote, if it constituted a majority in this body, would reduce the American worker to penury in the way of a daily wage, and our agriculturists to a degree of peasantry and serfdom which history records in the past, and which is to be found in other nations at the present time.

While I contend that we are all consumers, it may be claimed by those who are in reality opposed to adequate tariff protection for the products of American industry that the only persons directly interested in tariff legislation are those engaged in producing commodities which directly compete with the products of foreign labor or foreign agriculture.

Mr. President, all of the many groups engaged in mining or employed by manufacturers are directly interested in adequate tariff protection. The farmer is interested, for the reason that the American market consumes at least nine-tenths of his products. The price he will receive for them depends in a large measure on how busy and how well paid are the industrial workers that furnish him the market for the consumption of his product.

There are, first, the two millions of workmen interested in building trades, who are protected for the reason that it is not possible to import buildings in whole, or even substantially in part. Notwithstanding this, a substantial element of those engaged in the building industry have, through their representatives, appeared before the appropriate committees and asked for adequate tariff protection. I refer to the Bricklayers', Plasterers', and Masons' International Union and the National Brotherhood of Painters, Paper Hangers, and Decorators. I understand that these two organizations alone represent more than 300,000 skilled workmen in our country.

There is another well-organized group of American workers who have asked us to pass a tariff bill which will give adequate protection to the products of American labor. This group has gone even farther than any other representatives of labor. They have caused to be published an editorial which answers well all of the arguments about the importance of our foreign trade. This masterpiece, which is an admonition to both Houses of Congress, could be read with considerable profit, I hope, by all who claim that they wish to legislate for the best interest of

Americans. The organization to which I refer is the Associated Recognized Standard Railroad Organizations, made up of the 4 brotherhoods and the 12 international unions affiliated with the American Federation of Labor. This representative group is employed by our American railroads, and represents in numbers 1,500,000 active men.

From the issue of their official publication, *Labor*, issued on the anniversary of the birth of the first president of our Nation—George Washington—this year, I quote:

VITAL TO AMERICAN PROSPERITY—HOME MARKET NINE TIMES AS IMPORTANT AS THE FOREIGN MARKET—HOW TO "STIMULATE" IT

A new financial journal, the *National Sphere*, has an article on its cover which begins as follows:

"With 7 per cent of the world's population, the United States consumes 48 per cent of the world's coffee, 53 per cent of its tin, 56 per cent of its rubber, 21 per cent of its sugar, 72 per cent of its silk, 35 per cent of its coal, 42 per cent of its pig iron, 47 per cent of its copper, 69 per cent of its crude petroleum, and owns twenty-three of the thirty million running automobiles.

"While the population of the United States was increasing by 60 per cent, industrial production increased by 300 per cent. The purchasing power of the 120,000,000 citizens of this country is greater than that of the 500,000,000 Europeans and much greater than that of the more than a billion Asiatics."

All of which is true. But then, on an inside page, is another article, headed "Export Trade Becomes Vital to American Prosperity." It urges the "stimulation" of foreign markets, because they take about 10 per cent of the output of this country each year.

It seems to *Labor* that the *Sphere* needs to learn on its inside pages the lesson taught on its cover.

If 90 per cent of our production is consumed at home and only 10 per cent goes abroad, then it is surely nine times as important to stimulate the home market as to stimulate the foreign market.

America's purchasing power is greater than that of a four times larger population in Europe and a ten times larger population in Asia because American wages are relatively high.

Make these wages higher still and the buying power of the home market will increase in full proportion. Wipe out the periods of unemployment or half employment and there will be another increase in buying power.

A 1 per cent gain in consuming power of the home market is equal to 9 per cent boost in the demands of the rest of the world, and the home market is in our sole control, while the foreign markets are ruled by the financiers, governments, and customs of other nations.

The thing really "vital to American prosperity" is steady employment at high wages. The foreign market is important, valuable, but the heart of our prosperity—when we have it—is at home.

Mr. President, this editorial is not the result of inspiration from large advertisers, as this publication has no space for sale. Neither is it the utterance of any high-tariff protectionist, but simply the utterance of real Americanism.

Who have opposed these principles of protective tariff?

First, the importers, probably not 1,000 in all.

Second, the international bankers, numbering not more than 1,000, who thrive on loaning American savings to discount the importers' bills.

Third, the department stores, aggregating not more than 2,000, who secure profits of 100 per cent or more through their distribution in America of products manufactured by the cheap labor of Europe and Asia, and sold in America upon a parity with American products, and in many instances even much higher. So the consumer, in the final analysis, does not benefit by a low rate upon these commodities; but, to the contrary, the only time that the American consumer can possibly think of buying these imports is when he has the price with which to make the purchase; and that is only made possible by steady employment in some business that is prosperous under the Stars and Stripes.

One other element completes the opposition to an American Congress enacting tariff legislation which will adequately protect the products of American labor and American agriculturists. This element is composed of those representing foreign nations.

Their influence is made known in many ways. Their most effective influence is exerted through the officers in control of our own State Department. I, for one, resent the appointed officials of our governmental departments, and especially, the State Department, seeking to influence legislation which, while helpful to foreign nations, will result in idleness, poverty, and suffering for hundreds of thousands of our own workers.

I now continue my résumé of tariff history.

Andrew Jackson, until he became a candidate for the presidency of the party of antagonism to manufacturers, industry, and labor, was an ardent protectionist. He had expressed the



desire to see "the cotton mill alongside the cotton field." What follows, therefore, is scarcely believable.

The very Congress to which, in his message, President Jackson had reported the prosperity of the country to be without a parallel, enacted a reduction of 10 per cent of the excess above 20 per cent in all rates—not unlike in kind the McMaster resolution which was offered to the Senate on December 16, 1927, reducing the rate generally upon commodities that were protected in the tariff act of 1922.

The history of conditions which resulted under President Jackson's new policy is readily found in the files of old newspapers. I refer to but two, as portrayed in Senator Gallinger's speech in 1894:

At an auction sale in Muskingum County, Ohio, horses, cows, and oxen brought but a dollar per head, and hogs 6½ cents each. At an auction sale in Pike County, Mo., 2 horses, 2 oxen, 5 cows, 2 steers, 1 calf, and 24 hogs brought \$3.75. The report shows that these animals, with the exception of the 24 hogs, which were sold in one lot, were sold separately and brought 25 cents for the bunch.

Up to 1841 there had been no unrelated industries. Up to that time the prosperity of agriculture had been dependent upon the pay roll, which is but another name for home market, the consumptive power of the people. So when industry failed livestock became valueless.

The Whig Party succeeded in passing a protective tariff law in 1842, which President Tyler consented to sign, but it survived the onslaught of those who considered manufacturers accursed things for only four years. Four years, however, were enough to demonstrate the beneficent effect of industrial recuperation on agriculture.

President Polk, in his message of 1846, said:

Labor in all its branches is receiving an ample reward. The progress of our country in her career of greatness, in resources and wealth, and in the happy condition of her people is without an example in the history of nations.

I submit, Mr. President, that the transition in four years from a condition where 24 hogs brought 25 cents to that described by President Polk is equaled only by the change wrought by the emergency tariff act, which President Wilson vetoed and which President Harding signed, that in one blessed hour added more than \$5 in value per head to 30,000,000 sheep, thousands of which at the time were roaming the plains of Idaho, Montana, and Wyoming, abandoned and without a herder.

But the animosity and hatred to industry which had controlled previous Congresses again manifested itself. The very Congress that listened to President Polk's message reminding them that we were the most prosperous people on earth enacted the famous, now infamous, Walker competitive tariff of 1846. Again four years was long enough to show results, and in his message of 1851 President Fillmore records the disastrous effect of low tariffs on agriculture. He said:

The value of our exports of breadstuffs and provisions, which it was supposed the incentive of a low tariff and large importations from abroad would have greatly augmented, have fallen from \$68,000,000 in 1847 to \$21,000,000 in 1851, with almost a certainty of a still greater decrease in 1852.

Let no one suppose that seed time and harvest had failed to succeed each other. Farmers had planted and sowed and garnered as much as ever; industrial stagnation had cut consumption, so they had more in quantity to export, but it brought only one-third as much money.

No unrelated industries yet.

The Congress to which President Fillmore reported that our exported surplus was bringing less than a third of what it had brought four years before reduced the tariff still further. I suppose there were a few manufacturers that had survived; and Congress, in its hatred of them, undertook to increase imports by lowering custom duties. They needed the revenue, for they were borrowing money to pay the current expenses of the Government.

Conditions, of course, got worse and worse. I quote from an editorial found in the files of the New York Tribune:

Who is hungry? Go and see, see hundreds of men and women, black and white, fighting like wild beasts for a slice of bread and cup of coffee. In the sixth ward alone 6,000 persons were fed by charity on Saturday, January 13, 1855.

Two years later President Buchanan said in his message:

With unsurpassed plenty in all the elements of natural wealth, our manufacturers have suspended, our public works are retarded, and private enterprises of different kinds are abandoned. We are possessed of all the elements of national greatness in rich abundance; and yet,

notwithstanding all these advantages, our country is in a deplorable condition.

That statement was authentic and true. The Government was borrowing money at 12 per cent interest to meet its running expenses, and had difficulty in selling its bonds even at that.

With the advent of the Republican Party in 1861, the American system, which began with that first protective tariff recommended by Alexander Hamilton, introduced by James Madison, supported by James Monroe, signed by George Washington, indorsed by Thomas Jefferson, adopted by Andrew Jackson, but repudiated by and lost for a half century through the activities of the followers of John Randolph, was restored. From 1861 to this blessed year of grace, barring two interruptions, when we were gaining wisdom through chastisement, the Government has fostered every industry and fathered none.

The American pay roll is our answer.

The pay roll of the United States is by far our greatest asset. It is our one universal asset. It supplies much the greater portion of the purchasing power of our people. In figures it can not be accurately measured, but assuming the estimate of the Metropolitan Life Insurance Co. to be measurably reliable, Americans who work for hire, salaries, commissions, and wages receive in cash something in excess of \$1,100,000,000 per week. This explains why we, one-fifteenth of the people of the earth, consume more than one-third of the world's production of coal, in excess of two-fifths of its iron and its copper, three-quarters of its rubber and its silk, drink more than one-half of its coffee, and out of every gallon of petroleum pumped from Mother Earth demand 3 quarts, while fourteen times as many people, scattered elsewhere, take the other 1 quart, and have all they can use.

Thus far I have declined to be interrupted, but I will now stop long enough to permit any gentleman on the other side, or any of their allies on this side, to mention when, wherein, and the act under which the Democratic Party may claim to have done anything in all the period of its history that has so much as tended to increase this pay roll. Twice during the life of the Simmons competitive tariff they did succeed in cutting \$100,000,000 per week from the pay roll.

There is no yardstick by which the national greatness can be measured as accurately as by the purchasing power of its people, and there is no source of purchasing power that equals the pay roll. The United States can stand anything—war, famine, pestilence, anything, but an attack upon her pay roll.

Gentlemen will remember the fearful prophecy of Macaulay, the historian, that exactly as Rome was destroyed in the fifth century, so we would perish in the twentieth century, with this difference. The ravishers of Rome were the Huns and Vandals from abroad; our destroyers would be those of our own people. If permanent disaster shall ever befall this fair land, which God forbid, it will be caused by unemployment. It was the immortal Lincoln who forecast that an invading foe could not make a track upon the Blue Ridge or take a drink out of the Ohio River in the period of a hundred years, and that if this Nation should ever be destroyed it would be by an internal foe.

I warn those who hold their seats by virtue of election certificates as Republicans, and who are now boasting of their alliance with those pledged by party platform to ruin our industries by visiting upon them "effective foreign competition," that no future army of unemployed can be marched across their section, whether led by General Coxey or by an insurgent of their own choosing, without leaving in their wake disaster and ruin.

I now wish to cite a few concrete items of evidence to show that in America there are still no unrelated industries, and at the same time prove that enforced economies affect food consumption with mathematical certainty.

Government reports show that the American people consumed 1 bushel of wheat per capita per annum more during the four years of the McKinley protective tariff than during the succeeding four years of the Wilson-Gorman competitive tariff, and we consumed an average of 1 bushel and 3 pecks per capita per annum more during the 16 years of protection from the administrations of McKinley to that of Taft, inclusive, than during the four years of "effective foreign competition."

The same reports show the consumption of one-half bushel more of wheat per capita per annum while we were practicing war economies than during the four years of "effective foreign competition." The wheatless days under Wilson did not take as much bread from our mouths as did the workless days under Cleveland.

The farmers of the Central West sold a few thousand more animals through the Union Stockyards of Chicago during the administration of President Cleveland than during the previous four years under President Harrison, but the farmers received \$66,000,000 less in money, and they brought \$200,000,000 less in



money than the same number sold during the protective tariff that followed this period of "effective foreign competition."

The Underwood-Simmons competitive tariff forced 5,000,000 men out of employment in 1913-14 and again in 1920, and in every city where the garbage was refined the per cent of grease dropped more than one-fifth.

Lest we forget, let me reiterate, and with all the emphasis at my command, that in America there is and can be no unrelated industries, and that he who labors to protect the American pay roll is the best friend the American farmer can have.

While selfishness may compel a man to labor to save a threatened industry in which his every dollar is invested, he is at the same time indirectly, but no less effectively, laboring for the farmer. Under our flag all are kinsfolk. Nationally, not locally or sectionally, we prosper or we languish.

I ask to have made a part of my remarks a compilation showing the average tariff rates which have prevailed since 1890, and a comparison of these rates with those in the pending tariff bill.

#### EXPLANATORY NOTE FOR TABLE OF IMPORTS

The attached table shows the free imports, percentage of free imports, dutiable imports, percentage of dutiable imports, total imports, duties collected, and the equivalent ad valorem rates of duty for dutiable imports and for free and dutiable imports combined, with the annual average for the period covered by each of the tariff laws from 1890 to 1929.

A comparison of the equivalent ad valorem rates under these several tariff laws, shows:

	Imports	
	Dutiable	Free and dutiable
Equivalent ad valorem rate under—	Per cent	Per cent
McKinley law of Oct. 6, 1890.....	48.39	23.01
Wilson law of Aug. 28, 1894.....	41.29	20.87
Dingley law of July 24, 1897.....	46.49	25.47
Payne-Aldrich law of Aug. 5, 1909.....	40.73	19.32

Omitting the war years and comparing the equivalent ad valorem rate of duty for the first full fiscal year under the Underwood law, 1914,

with the first full fiscal year under the Fordney-McCumber law, 1923, the comparison shows:

	Imports	
	Dutiable	Free and dutiable
Equivalent ad valorem rate under—	Per cent	Per cent
Underwood law in 1914.....	37.60	14.87
Fordney-McCumber law in 1923.....	36.17	15.18

Comparing the last full fiscal year under the Underwood law, 1922, with the last full fiscal year under the Fordney-McCumber law, 1929, we find:

	Imports	
	Dutiable	Free and dutiable
Equivalent ad valorem rate under—	Per cent	Per cent
Underwood law in 1922.....	38.07	14.68
Fordney-McCumber law in 1929.....	40.10	13.55

Calculations are added to the table for the Hawley-Smoot bill. Imports, duties collected, and equivalent ad valorem rates are based upon imports for 1928. The figures shown in the table, therefore, are simply estimates. As 68 per cent of the increases are on agricultural products, the increase in the equivalent ad valorem rate in the Hawley-Smoot bill compared with the Fordney-McCumber Tariff Act is therefore largely due to agricultural increases.

	Imports	
	Dutiable	Free and dutiable
Equivalent ad valorem rate under—	Per cent	Per cent
Fordney-McCumber law in 1929.....	40.10	13.55
Hawley-Smoot bill (based on estimated imports for 1928).....	41.04	16.04

#### Average rates of duty under specified tariff acts

	Imports for consumption						Equivalent ad valorem rates	
	Free	Per cent free	Dutiable	Per cent dutiable	Total	Duties collected	Dutiable	Free and dutiable
							Per cent	Per cent
<i>McKinley law, effective Oct. 6, 1890</i>								
Fiscal year—								
1891.....	\$379,028,079	44.83	\$466,455,173	55.17	\$845,483,252	\$215,790,686	46.26	25.52
1892.....	448,771,192	55.79	355,526,741	44.21	804,297,933	173,097,670	48.69	21.65
1893.....	432,450,474	51.93	400,282,519	48.07	832,732,993	198,373,453	49.56	23.82
1894.....	372,461,955	59.11	257,645,703	40.89	630,107,658	128,881,868	50.00	20.56
Total, McKinley law.....	1,632,711,700	52.45	1,479,910,136	47.55	3,112,621,836	716,143,677	48.39	23.01
Annual average.....	408,177,925	52.45	369,977,534	47.55	778,155,459	179,035,919	48.39	23.01
<i>Wilson law, effective Aug. 28, 1894</i>								
Fiscal year—								
1895.....	376,890,100	51.55	354,271,990	48.45	731,162,090	147,901,218	41.75	20.23
1896.....	368,897,523	48.56	390,796,561	51.44	759,694,084	156,104,509	39.95	20.55
1897.....	381,902,414	48.39	407,348,616	51.61	789,251,030	171,779,194	42.17	21.76
Total, Wilson law.....	1,127,690,037	49.45	1,152,417,167	50.55	2,280,107,204	475,784,921	41.29	20.87
Annual average.....	375,896,679	49.45	384,139,056	50.55	760,035,735	158,594,974	41.29	20.87
<i>Dingley law, effective July 24, 1897</i>								
Fiscal year—								
1898.....	291,534,005	49.65	295,619,695	50.35	587,153,700	144,258,563	48.80	24.57
1899.....	299,668,977	43.72	385,772,915	56.28	685,441,892	200,873,429	52.07	29.31
1900.....	366,759,922	44.16	463,759,330	55.84	830,519,252	228,364,556	49.24	27.62
1901.....	339,093,256	41.98	468,670,045	58.02	807,763,301	232,641,499	49.64	28.91
1902.....	396,542,233	44.01	503,251,521	55.99	899,793,754	250,550,428	49.79	27.95
1903.....	437,290,728	43.38	570,669,382	56.62	1,007,960,110	279,779,587	49.03	27.85
1904.....	454,153,100	46.26	527,669,459	53.74	981,822,559	257,330,942	48.77	26.29
1905.....	517,073,277	47.56	570,044,856	52.44	1,087,118,133	257,898,130	45.24	23.77
1906.....	548,095,764	45.22	664,721,885	54.78	1,213,817,649	293,557,984	44.16	24.22
1907.....	641,953,451	45.35	773,448,834	54.65	1,415,402,285	329,121,659	42.55	23.28
1908.....	525,704,745	44.43	657,415,920	55.57	1,183,120,665	282,273,432	42.94	23.88
1909.....	599,375,868	46.77	682,265,867	53.23	1,281,641,735	294,377,360	43.15	22.99
Total, Dingley law.....	5,417,845,326	45.22	6,563,309,709	54.78	11,981,155,035	3,051,027,569	46.49	25.47
Annual average.....	451,487,111	45.22	546,942,476	54.78	998,429,586	254,252,297	46.49	25.47



Average rates of duty under specified tariff acts—Continued

	Imports for consumption							
	Free	Per cent free	Dutiable	Per cent dutiable	Total	Duties collected	Equivalent ad valorem rates	
							Dutiable	Free and dutiable
<i>Payne-Aldrich law, effective Aug. 5, 1909</i>								
Fiscal year—							<i>Per cent</i>	<i>Per cent</i>
1910.....	\$761,353,117	49.21	\$785,756,020	50.79	\$1,547,109,137	\$326,263,095	41.52	21.09
1911.....	776,963,955	50.85	750,981,697	49.15	1,527,945,652	309,581,944	41.22	20.26
1912.....	881,512,987	53.73	759,209,915	46.27	1,640,722,902	304,597,035	40.12	18.56
1913.....	986,972,333	55.87	779,717,079	44.13	1,766,689,412	312,252,215	40.05	17.67
Total, Payne-Aldrich law.....	3,406,802,392	52.55	3,075,664,711	47.45	6,482,467,103	1,252,694,289	40.73	19.32
Annual average.....	851,700,598	52.55	768,916,178	47.45	1,620,616,776	313,173,572	40.73	19.32
<i>Underwood law, effective Oct. 3, 1913</i>								
Fiscal year—								
1914.....	1,152,392,059	60.45	754,008,335	39.55	1,906,400,394	283,511,664	37.60	14.87
1915.....	1,032,863,558	62.66	615,522,722	37.34	1,648,386,280	205,755,073	33.43	12.48
1916.....	1,495,881,357	68.65	683,153,244	31.35	2,179,034,601	209,523,151	30.67	9.62
1917.....	1,852,530,536	69.46	814,689,485	30.54	2,667,220,021	221,447,743	27.18	8.30
1918.....	2,117,555,366	73.91	747,338,621	26.09	2,864,893,987	180,196,879	24.11	6.29
1918 (July-December).....	1,149,881,796	71.14	303,079,210	28.86	1,452,961,006	73,907,033	24.39	5.09
Calendar year—								
1919.....	2,711,462,069	70.84	1,116,221,362	29.16	3,827,683,431	237,402,680	21.27	6.20
1920.....	3,115,958,238	61.08	1,985,865,155	38.92	5,101,823,393	325,635,175	16.40	6.38
1921 <sup>1</sup> .....	1,564,278,455	61.18	992,591,256	38.82	2,556,869,711	292,359,221	29.45	11.43
1922 <sup>1</sup> .....	1,888,240,127	61.43	1,185,533,136	38.57	3,073,773,263	451,356,289	38.07	14.68
Total, Underwood law.....	18,081,043,561	66.28	9,198,002,526	33.72	27,279,046,087	2,481,094,808	26.97	9.10
Annual average.....	1,903,267,743	66.28	968,210,792	33.72	2,871,478,535	261,167,872	26.97	9.10
<i>Fordney-McCumber law, effective Sept. 22, 1922</i>								
Fiscal year—								
1923.....	2,165,148,317	58.02	1,566,621,499	41.98	3,731,769,816	566,663,978	36.17	15.18
1924.....	2,118,167,861	59.25	1,456,883,421	40.75	3,575,051,282	532,393,286	36.54	14.89
1925.....	2,708,827,567	64.86	1,467,390,501	35.11	4,176,218,068	551,814,156	37.61	13.21
1926.....	2,908,107,735	65.97	1,499,968,523	34.03	4,408,076,258	590,038,433	39.34	13.09
1927.....	2,680,058,949	64.38	1,483,030,851	35.62	4,163,089,800	574,838,964	38.76	13.81
1928.....	2,678,633,207	65.69	1,399,303,932	34.31	4,077,937,139	542,270,191	38.75	13.30
1929 <sup>2</sup> .....	2,880,128,028	66.38	1,458,443,604	33.62	4,338,571,632	584,772,312	40.10	13.55
1930 <sup>2</sup> (Jan. 1-Mar. 31, inclusive).....	607,907,432	67.18	296,954,118	32.82	904,861,550	119,823,115	40.35	13.24
Total, Fordney-McCumber law.....	18,746,979,096	63.82	10,628,596,449	36.18	29,375,575,545	4,062,614,435	38.22	13.83
Annual average.....	2,585,790,220	63.82	1,466,013,303	36.18	4,051,803,523	560,360,612	38.22	13.83
<i>Hawley-Smoot bill</i>								
Fiscal year 1928 <sup>3</sup> (estimated).....	2,507,507,869	61.49	1,570,429,270	38.51	4,077,937,139	653,990,255	41.64	16.04

<sup>1</sup> The emergency tariff act became effective on certain agricultural products on May 27, 1921, and continued in effect until Sept. 22, 1922.<sup>2</sup> Preliminary.<sup>3</sup> Computations based on actual quantities and values of imports in 1928.

Mr. WALSH of Massachusetts obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me?

Mr. WALSH of Massachusetts. I yield.

Mr. LA FOLLETTE. It is quite obvious that there are several Senators who will not be able to speak to-day on the pending reports, and who may want to speak to-morrow. Therefore, I suggest a unanimous-consent agreement providing that the time of debate to-morrow on the report be equally divided between the opponents and the proponents of the conference reports.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

Mr. WATSON. Mr. President, I not only have no objection but I trust that none will be offered by anyone.

Mr. MOSES. Let the request be stated.

Mr. LA FOLLETTE. I will restate it. I am merely asking that the time of debate to-morrow be equally divided between the proponents and the opponents of the conference reports.

Mr. MOSES. The Senate is to meet at 11 o'clock to-morrow.

Mr. LA FOLLETTE. At 11 o'clock, which would give three hours for debate, not counting any interruptions which might take place.

Mr. MOSES. Who would control the time?

Mr. LA FOLLETTE. The Chair, of course, would control the question of recognition; and if the time of those speaking for the proposed legislation or against it should be exhausted, no one on that side would be recognized unless by unanimous consent.

The PRESIDING OFFICER. Is there objection to the request?

Mr. MOSES. I do not desire to object, but it seems to me that unless there is a limitation put upon each Senator, some-

body on one side or the other might take the floor and consume the whole hour and a half.

Mr. LA FOLLETTE. That is very true, but if there were no agreement at all, then some one Senator either favoring or opposing the reports might rise and occupy the three hours.

Mr. MOSES. That has been known to happen.

Mr. WALSH of Massachusetts. I suggest to the Senator from Wisconsin that he provide for a limitation of speeches to 20 minutes.

Mr. LA FOLLETTE. I do not think we could get an agreement to that effect, I will say to the Senator.

Mr. WATSON. I would object to that.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin?

The Chair hears none, and it is so ordered.

MAIL BY THE MISSISSIPPI SHIPPING CO.

Mr. RANSDELL. By the courtesy of the Senator from Massachusetts, I ask unanimous consent to introduce a joint resolution authorizing the Postmaster General to accept the bid of the Mississippi Shipping Co. to carry mail between United States Gulf ports and the east coast of South America. I am authorized by the Committee on Commerce to introduce this joint resolution and to report it and ask for its immediate consideration. There is no objection to it at all that I know of.

Mr. WALSH of Massachusetts. I do not object. I am glad to yield that it may be considered.

The joint resolution (S. J. Res. 190) authorizing the Postmaster General to accept the bid of the Mississippi Shipping Co. to carry mail between United States Gulf ports and the east coast of South America was read the first time by its title and the second time at length, as follows:

Whereas it appears that the Mississippi Shipping Co., a corporation of the State of Louisiana, did on the 17th day of May, 1929, purchase



the trade name, good will, and equipment of the steamship service known as the Gulf Brazil River Plate Line, then being operated by the United States Shipping Board between United States Gulf ports and ports on the east coast of South America; and

Whereas it appears that the said Mississippi Shipping Co. had cause to believe and did believe that at the time it purchased said line that a Government mail contract for the carrying of mails over the route covered by said line would be awarded to the purchaser of said line; and

Whereas the Congress in the second deficiency act, approved March 4, 1929, appropriated \$3,400,000 for ocean mail contracts, \$560,000 of which was designated by the Postmaster General in his testimony before the Appropriations Committee of the House as intended to be used for mail pay to the purchaser of said line; and

Whereas it appears that the said Mississippi Shipping Co., the purchaser of said line, did on the 31st day of March, 1930, submit a bid to carry the mail over said line at a rate of pay within the limits prescribed by law and in compliance with the requirements of the Postmaster General: Therefore be it

*Resolved, etc.,* That the Postmaster General is authorized at his discretion to accept said bid of the Mississippi Shipping Co. for carrying the mails over said line, notwithstanding the provisions of section 407 of the merchant marine act of 1928 in respect to the award of ocean mail contracts.

Mr. JOHNSON. Mr. President, may I suggest that the joint resolution disposes of a matter which has been before the Senate for a considerable period of time, concerning which there was a very acute controversy. I think all parties have agreed on the proposed legislation, and I hope the joint resolution may be passed immediately.

Mr. RANDELL. I thank the Senator.

Mr. McKELLAR. Mr. President, I merely want to say that I do not object. There is great merit in the contention made by the particular company to be affected by the joint resolution, and the measure is confined to that particular company. I therefore have no objection.

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. RANDELL. I thank the Senator from Massachusetts for yielding.

#### REVISION OF THE TARIFF—CONFERENCE REPORTS

The Senate resumed the consideration of the reports of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. WALSH of Massachusetts. Mr. President, I do not care to take very much time. I am anxious to relieve the American public from the great suspense they are suffering by reason of the uncertainty as to how the next speaker, the junior Senator from Pennsylvania [Mr. GRUNDY], will vote on the pending conference reports. I therefore shall be very brief, in order that that suspense may be relieved, and that the press wires may give notice to the country that the Nation is safe because the junior Senator from Pennsylvania is to vote regular.

Mr. McKELLAR. Mr. President, the Senator has not the slightest doubt in his own mind as to how the junior Senator from Pennsylvania will vote, has he?

Mr. WALSH of Massachusetts. I know the Senator from Pennsylvania is extremely conscientious and is vitally interested in the welfare of the industries of his State.

Mr. McKELLAR. I am quite sure his mind is made up.

Mr. WALSH of Massachusetts. He has sound reasoning powers, and if he exercises them he is going to vote against the conference reports, because I am convinced that if there is any State that has gotten nothing out of this tariff bill it is Pennsylvania. I was amazed at the regularity with which the Senator voted for increased duties on the products of other States, but I observed that when the roll was called he was not fortunate in having his votes reciprocated. So I really have some doubt, in view of the way Pennsylvania has fared in the bill. It is in a position a good deal like that of Massachusetts, and I am about to state the position in which I think the State of Massachusetts finds itself.

Mr. President, it is too late for any profitable analysis in detail of the pending bill. Undoubtedly each Senator could find among the extensive changes made in the present tariff law provisions of the bill that he could support if they stood alone. It is also true that nearly every Senator here could show by analysis that the bill includes increased protective duties that can not be justified upon the application of any sound analysis of the actual facts and evidence presented. Neither will any

advantage be now served by discussion of the unscientific characteristics of the bill and the methods of logrolling and political intrigue used in shaping it. Neither is there time to enlarge upon the hidden and discriminatory protection levied in the bill by the use of specific rates instead of ad valorem rates. It is necessary also to resist the natural temptation to enumerate the long list of increased duties levied in this bill that will affect materially the cost of food, clothing, and shelter for millions of Americans who are already oppressed by the high cost of living.

The time for debate and discussion upon the individual items in the schedules has ended. The flaws and injustices and the benefits, if any, that are embodied in the measure are settled. The only discretion left to each individual Senator now is in the exercise of his final judgment upon the bill as a whole. What, in his opinion, must be the inevitable result of the enactment of this bill into law upon the well-being of the people of the United States and of his own particular State? No tariff bill can be injurious to the people of the United States as a whole without being injurious to each particular Commonwealth. I am therefore prepared to make my decision and to briefly state the considerations that determined it.

Mr. President, there is serious industrial depression throughout the country at the present time. There is extensive unemployment. Not only agriculture, concerning the depression in which there has been much emphasis, but every line of business is far from prosperous. It reaches alike the producer, wholesaler, and retailer. As a consequence, millions of consumers are struggling more desperately than heretofore to make ends meet in their effort to enjoy a reasonable proportion of the comforts and necessities of life.

During all this long drawn-out debate no one has at any time suggested that the depressed conditions in this country to-day are due to excessive and unusual imports. It has been generally conceded, and by the President himself, that the extent to which a revision of the tariff was necessary, to sustain the prosperity which he pointed out when he called the extra session of the Congress in April, 1929, was limited. Aside from agriculture, he has never named more than three or four industries that could obtain relief through readjustment of tariff duties.

One thing stands out conspicuously at this time. He who runs can not help but stumble over it in whatever direction he turns, and that is that the industries of this country, both manufacturing and agricultural, can not be benefited by increasing the cost of procuring their necessary materials and so increasing the cost of producing their finished products. That the bill is laden with such duties can not be disputed. Even the farmers have had imposed against them increased duties upon the materials of production that they require. I refer especially to the increased duties to be levied upon 10 feed products used by millions of farmers for feeding their livestock and poultry, and also to the increased duties on seeds.

The present law, the tariff act of 1922, affords the maximum protection that nearly every substantial industry in the country really needs. And yet we have had the general revision upward embodied in this bill. Many industries asked for no further protection; some petitioned for it because it is the vogue to do so when Congress undertakes a revision of the tariff. A small group indeed have really made out a case for increases in existing protective duties because of unmistakable evidence of the depressed conditions due solely to increased importations of comparable products that are restricting the domestic market for such producers.

Mr. President, I am opposed most of all to the bill because of the new and increased burdens placed on the users of materials. Would it ever be thought of for one moment, I ask, to impose the rates on foods and materials contained in this bill as internal-revenue taxes, even if we needed increased revenue? No; certainly not. They are imposed as duties in the bill because of a theory that benefits will be derived from them for a limited group of farmers and a few producers of various non-agricultural crude products.

Now, suppose that that theory does not work out in practice, and the farmers and raw-material producers shall receive little or no benefits. Then the industrial parts of the country will be gravely burdened and inconvenienced to no purpose. The industrial districts of the United States will revolt against this bill; they have revolted already. The agricultural districts will be disappointed and disgusted with this bill; they are already. The bill injures many and benefits few; it is inconsistent and self-defeating even as a protectionist measure.

I am not unmindful that particular interests are by reason of their circumstances entitled to protection, and that in a few instances they receive rates for their safeguarding, more or less adequate, in this bill; but the increased rates on the long



list of materials used by them more than offset the apparent benefits directly accorded.

I must consider the bill as a whole and estimate as best I can its probable total effect. I believe that the total effect upon the welfare of the country will be such that even those who have received rates in the bill, referred to above, will be injured. There is harm and not good in the bill for nearly every industry in the Nation. The bill is, to repeat, self-defeating even as a protectionist measure and practically for everybody.

There can be no question but that the necessary adjustments to the new provisions of the bill will slow down the recovery of business from the existing depression. It is folly to claim that a tariff bill which increases the cost of imports of manufacturing supplies that must be obtained by our industries from abroad—such as wool, long-staple cotton, hides, flax, filaments of rayon, casein, wool rags, rags for paper making, lumber, manganese, chemicals, and many other materials—will act as a stimulus and not as a depressive.

The practical immediate effect of the bill will be one of disorganization for industry, due in great measure to experimentation in the employment of new materials as substitutes for those that have been used and whose qualities are known. There will be price disturbances and other dislocations occasioned by the bill, all of which will retard business recovery and the furnishing of full employment at this time when real help and not hindrance is so much called for.

More permanently also the effects of the bill will be to lessen and not to increase national prosperity. Exports are essential to the prosperity of the United States at this stage of the development of our industries, and export trade will be surely interfered with by the bill, partly through increased costs in this country and partly through the reprisals which will be stirred up in foreign countries. It may be, as some assert, that our manufacturing exporters and the people they employ have little to fear from the acts of reprisal of foreign governments. But the boycotting of our goods abroad by private individuals and associations of individuals is legally more feasible and constitutes a real menace. Such private boycotting of American exports in several foreign countries has already begun. I have received trustworthy information of that character from many correspondents, as doubtless other Senators have.

For all these reasons and others, including great and uncalculated burdens imposed on many classes of ultimate consumers, I can not accept this measure, I can not support it. Individuals may be disappointed. I regret their disappointment. But they, too, should evaluate the bill as a whole. If they do, there can be but one answer. The general business fabric of this country is going to be injured by this bill, and, accordingly, individuals, in the rarest instances only, can receive any net benefits from it. On balance the bill is a liability, not an asset; it will be a drag and an impediment, not a help and support. It should be labeled "a bill to impede and harass business" rather than to encourage or protect business. Its impediments and burdens to both producers and consumers make it impossible for me to sponsor or defend it.

Furthermore, Mr. President, I wish to state that I can not subscribe to the theory of protection that in the present bill has been so extended and enlarged, namely, to attempt by tariff protective duties to change inefficient business management into efficient management; to make the wasteful, impoverished producer an economical producer; to force the use of substitutes for the commodities which the public to-day is demanding; and to extend the principle of the measure of protection to include freight rates from one part of the country to another. In a word, in this bill more than ever before, protection has been regarded as a private right to be accorded to whoever asks for it—to the inefficient as well as the efficient and to those who are suffering from handicaps of location, and other wholly domestic disadvantageous circumstances, rather than to any actually proven impact of foreign competition.

Both with respect to theory and practice the present tariff methods of this Government need a great reexamination and overhauling. We should never have another tariff revision like this one. The way out, whenever the tariff is opened again, is to have the President make very definite and specific recommendations, upon his own responsibility, as to what changes in the tariff are really needed, and then to empower him to veto any part of a tariff bill by itself without being confined to accepting or rejecting the measure as a whole. It is constitutional, it is constructive, it is statesmanlike to enlarge upon the message power and the veto power which the President already has, rather than to lean upon the broken reed of a so-called flexible tariff—the great alibi now embodied in the bill.

Mr. President, during the debate upon the bill I have from time to time called attention to the increased costs which will result to consumers from duties levied in the bill. I ask to

have printed in the Record in connection with the remarks I have just made a memorandum setting forth the effect of a duty of \$1 per thousand feet upon softwood lumber. That is but one item among others in the bill which will be surely effective in increasing costs. The information I have been able to obtain from experts is that that item alone will cost the consumers of the Commonwealth of Massachusetts from \$4,000,000 to \$6,000,000, and that in the whole country, which in 1928 consumed 26,269,348,000 board feet of softwood lumber, 95 per cent of which is of dutiable species, the apparent cost of the tariff of \$1 per thousand feet would be from \$34,000,000 to \$39,500,000. Due to the effects of the proviso exempting rough lumber from the duty, as explained in the memorandum, the actual total cost would be in excess of \$100,000,000 annually.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

**THE EFFECT OF A DUTY OF \$1 PER THOUSAND FEET ON SOFTWOOD LUMBER**

Massachusetts consumed in 1928, 908,057,000 feet of lumber, according to the United States Forest Service in the Yearbook of Agriculture for 1930. If the rate of \$1 a thousand feet proposed in the conference report be adopted, the cost to the people of Massachusetts will be not less than \$900,000, without taking into account the pyramiding between the point of manufacture and the retailer. This pyramiding will add from 30 to 50 per cent more to the bill and make the apparent cost from \$1,200,000 to \$1,350,000 annually. However, there is a trick in the amendment, presumably for the purpose of helping American labor, in the proviso which permits softwood lumber to enter duty free if in the rough or not further manufactured than planed on one side. This will mean that imported lumber will be chiefly rough lumber which will be shipped to small American planing mills, where it will have to be unloaded from the car, run through the planer, stored in a dry shed, resorted, piled, and reloaded into cars, with a total added cost of not less than \$5 a thousand feet. At this added cost of \$5 a thousand feet, the State of Massachusetts alone will carry an annual burden, because of this tariff, amounting to from \$4,000,000 to \$6,000,000. Instead of relieving unemployment, the bill can not but have the effect of increasing it. Such an increase in the price of lumber would materially increase the cost of building and delay further the building program, which is now very much under normal. The way to help the lumber industry is the way proposed by the National Business Survey Conference, under the auspices of the United States Chamber of Commerce last winter, which proposed to increase building, thereby increasing the demand, which would automatically improve the price and result in increased production.

To the whole country, which consumed in 1928, 26,269,348,000 board feet of softwood lumber (95 per cent of which is of dutiable species), the apparent cost of the tariff of \$1 per thousand feet would be from \$34,000,000 to \$39,500,000; but due to the proviso exempting rough lumber from the duty, the actual cost would be in excess of \$100,000,000 annually.

Mr. GRUNDY. Mr. President, I have given considerable thought to the position I shall take in the vote to be taken tomorrow, for I dare say it is agreed that the vote about to be taken on the acceptance or rejection of the conference committee's reports is practically equivalent to a vote to pass or defeat the bill, H. R. 2667. I have followed very closely the course of the proposed new tariff law, first as a private citizen and later as a Member of the United States Senate. As opportunity permitted during the past several weeks, I have reviewed the history of the pending legislation and made a detailed and rather exhaustive analysis of the proposed new tariff act of 1930. I am not satisfied with the proposed new tariff law, first, because I do not believe it is a fulfillment of the 1928 tariff plank of the Republican Party. That plank, which, in my opinion, contributed in no small measure to our party's success in the election two years ago, pledged us to an examination, and, wherever necessary, to a revision of the tariff law of 1922—

To the end that American labor may again command the home market, may maintain its standard of living, and may count upon steady employment in its accustomed field.

We have made such an examination, and in numerous cases we have made much-needed changes, particularly in the rate schedules. We have overlooked or ignored many other changes, which, in my opinion, should have been made, particularly in the rates affecting industry. I shall not at this time burden the Senate with the details of numerous changes which I believe should have been made in the rate schedules in this measure. Instead, I shall simply say that in the analysis I have made one of my principal tests as to the merits of this measure was the trend of imports into this country during the past five or six years. Wherever this trend has been distinctly upward, in my opinion, it indicated a need for a revision of the rate of duty under which these imports enter this country. Where-



ever we have failed to make such a revision, and we have in numerous cases, we have not, in my opinion, fulfilled the Republican Party's tariff pledge of two years ago.

Second, the method by which the tariff bill was drawn up never met with my approval, and it never will. The Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate invited the representatives of American industry and of American labor to lay before those committees their tariff needs and requirements. This was done, and it was done to such an extent that the tariff hearings before the Ways and Means Committee required 10,920 pages for their printing, and those before the Finance Committee 8,362 more pages. Following the conclusion of the hearings before both these committees, the committees withdrew into secret executive session from which all save the committee members and certain Government clerks, known as tariff experts, were excluded. In such secret sessions, and with the help of these clerks, the provisions of the proposed new law were drawn up, and, it seemed to me, drawn up with little or no regard for the facts brought out before the committees by those best qualified to know.

So far as I know, no such high-handed, secret-meeting procedure as that adopted by our committees is pursued in framing tariff legislation in other countries, and certainly to my own knowledge, no such method has been pursued heretofore in protective tariff revisions in this country. In my opinion, it is those who have to combat the menace of foreign competition in this country who are best qualified to speak as to their tariff needs, and any bill which deliberately ignores or excludes them from a participation in its framing is not my idea of a protective tariff revision.

Third, I have referred to the Republican Party's 1928 tariff plank, which pledged the party to a revision of the tariff wherever necessary. That plank, it seems to me, meant not only a revision of those rates which experience has shown to be out of proper adjustment but it meant also a revision of the administrative sections of the law wherever experience has demonstrated that they are ineffective or in need of correction. So far as I can recall, in no previous tariff revision in our country's history, is there anything which parallels the consideration given the administrative provisions in the course of the revision recently concluded. During the consideration of the pending measure attention was focused on a number of the administrative provisions which had clearly demonstrated their inefficiency and their insufficiency, and at various stages during this revision a number of the most important weaknesses in the administrative provisions were greatly improved. But where are those improvements to-day? When the bill was reported by the Finance Committee to the Senate the administrative features were considered first and were made the political football of this revision by the members of the coalition. I know of no other tariff revision where the administrative provisions were considered in the light of party politics. During the weeks in which those provisions were considered by the Senate all the improvements that had been made in the administrative sections were eliminated, and some of those that had escaped up to that point were attacked and greatly weakened.

In further justification for my dissatisfaction with the administrative provisions of this proposed new tariff law I would refer briefly to the salient factors in connection with the plan to abandon the method of assessing our ad valorem duties on the basis of foreign value. Here was a proposal on which American labor, American industry, and American agriculture all agreed. All recommended the abandonment of foreign value in favor of a method whereby our ad valorem duties would be assessed on a valuation basis determinable within this country. Only the importing interests appeared in opposition to the plan to abandon foreign value, because it was to their best interest to keep the valuation basis in the American tariff in such a form as to permit them to have a dominant voice in its administration, not to say its manipulation. And yet, in the face of the overwhelming demand that foreign value be abandoned, it is continued in this proposed new law, continued to the benefit and advantage of the importing interests and to the disadvantage and at the expense of American labor, American industry, and American agriculture.

Unfortunately, there is still another chapter in this valuation story which, in my opinion, unmistakably brands the proposed new law as distinctly inferior to the existing law of 1922. So long as our ad valorem duties are assessed on the basis of foreign value, it is absolutely necessary that this Government be in a position to secure accurate information with respect to foreign value. Section 510 of the act of 1922, which placed our Government in this position, has been eliminated from the proposed new law, and by this elimination, in my opinion, we have turned over to the importing interests in this country and

to the foreign producers with whom they are connected the practical administration of our valuation provisions. I make this statement realizing fully that the conference committee has inserted a provision in section 402 designed to take the place of section 510 of the present law, but in my opinion it will soon show its inadequacy.

On these principal reasons, therefore, I base my dissatisfaction with the proposed new tariff law. I shall nevertheless vote to accept the conference committee's report, realizing that this is practically equivalent to a vote to pass the bill. I shall do so first and foremost because I believe the long drawn-out duration of this tariff revision has contributed to the business and industrial uncertainty in this country, and I believe the quickest and surest way to end that uncertainty is to get rid of this measure.

Second. This is the first time in the history of tariff legislation that the administrative provisions have been subject to party politics. I hope it will be the last time, and that as soon as Congress discovers the insufficiency of the provisions which it is about to adopt, it will take them up separately and remedy the evils that will inevitably develop as a result of the enactment of this bill. It seems to me that the way to make this possible is to vote to pass the proposed new law.

Third. My analysis of the pending bill has convinced me that in numerous instances rate changes have been made which, as regards the industry affected, may help to check the rising tide of foreign importations into this country. This is particularly the case where specific duties have been increased and necessary changes and clarifications in language made. I discount completely the value of any changes made in the ad valorem rates so long as they are based on foreign value, but to the extent that various specific duties have been increased, I believe American industry will be better able to meet the threat of foreign competition and American labor will be safeguarded against unemployment. A vote against this bill, therefore, would take away from such American industries and take away from American labor even the slight gain which may accrue to them, and this is certainly the last thing I should want to do.

Furthermore, I know of a number of American industries which have been particularly hard pressed during the past several years, and which have been granted slight increases in their duties in the pending measure. In the opinion of various leaders of those industries such increased duties will help prevent their further ruin, and if there is a possibility of this I want to do everything I can to aid those industries and the American labor employed in them. As a friend of these American industries, I can not share their confidence and their optimism with regard to the effectiveness of the rate changes granted them; but if this bill is defeated and disaster does come to those industries, I am unwilling to permit even the claim that by voting against this measure I contributed to the ruin of an American industry and to the unemployment of American labor.

Therefore, Mr. President, despite my very decided dissatisfaction with the bill as a whole, I shall vote in favor of it.

#### COMMISSIONERS IN THE COURT OF CLAIMS

The PRESIDING OFFICER (Mr. Fess in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 7822) amending section 2 and repealing section 3 of the act approved February 24, 1925 (43 Stat. 964, ch. 301), entitled "An act to authorize the appointment of commissioners by the Court of Claims and to prescribe their powers and compensation," and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. NORRIS. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. DENEEN, Mr. GILLET, and Mr. STEPHENS conferees on the part of the Senate.

#### CONSENT OF THE UNITED STATES TO BE MADE PARTY DEFENDANT

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 980) to permit the United States to be made a party defendant in certain cases, and asking for a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. NORRIS. I move that the Senate insist on its amendment, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WATERMAN, Mr. GILLET, and Mr. WALSH of Montana conferees on the part of the Senate.



## EXECUTIVE SESSION

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

## EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER. The Chair lays before the Senate messages from the President of the United States submitting sundry nominations, which will be referred to the appropriate committees.

Are there any reports of committees? If not, the calendar is in order.

## DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Hanford MacNider, of Iowa, to be envoy extraordinary and minister plenipotentiary to Canada.

Mr. WATSON. Mr. President, I agreed with the Senator from Iowa [Mr. BROOKHART] that I would ask to have that nomination go over.

The PRESIDING OFFICER. The nomination will be passed over.

The legislative clerk read the nomination of David E. Kaufman, of Pennsylvania, to be envoy extraordinary and minister plenipotentiary to Siam.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and the President will be notified.

The legislative clerk read the nominations of H. Percival Dodge to be consul general and to be secretary.

The PRESIDING OFFICER. Without objection, the nominations are confirmed, and the President will be notified.

The legislative clerk read the nominations of Prentiss B. Gilbert to be consul, to be secretary, and to be Foreign Service officer, class 3.

The PRESIDING OFFICER. Without objection, the nominations are confirmed, and the President will be notified.

## UNITED STATES SHIPPING BOARD

The legislative clerk read the nomination of Edward C. Plummer, of Maine, to be member of the United States Shipping Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and the President will be notified.

## COAST GUARD

The legislative clerk proceeded to read sundry nominations of officers of the Coast Guard.

The PRESIDING OFFICER. Without objection, the nominations will be confirmed en bloc, and the President will be notified.

## POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. PHIPPS. I ask that the post-office nominations may be confirmed en bloc, and the President notified.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc, and the President will be notified.

## RECESS

Mr. McNARY. As in legislative session, I move that the Senate take a recess until 11 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until to-morrow, Friday, June 13, 1930, at 11 o'clock a. m.

## NOMINATIONS

*Executive nominations received by the Senate June 12 (legislative day of June 9), 1930*

## AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY

W. Cameron Forbes, of Massachusetts, to be ambassador extraordinary and plenipotentiary of the United States of America to Japan.

## MEMBERS OF THE FEDERAL FARM BOARD

The following-named persons to be members of the Federal Farm Board:

Alexander Legge, of Illinois.  
Charles C. Teague, of California.

## COLLECTOR OF CUSTOMS

Jennie P. Musser, of Salt Lake City, Utah, to be collector of customs for customs collection district No. 48, with headquarters at Salt Lake City, Utah. (Reappointment.)

APPOINTMENT, BY TRANSFER, IN THE ARMY  
TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Charles Anderson Wickliffe, Field Artillery (detailed in Judge Advocate General's Department), with rank from July 1, 1920.

## PROMOTIONS IN THE REGULAR ARMY

*To be major*

Capt. Clinton Innes McClure, Field Artillery, from June 7, 1930.

*To be captains*

First Lieut. Francis Valentine FitzGerald, Quartermaster Corps, from June 7, 1930.

First Lieut. Thomas James Chrisman, Infantry, from June 10, 1930.

*To be first lieutenants*

Second Lieut. Reginald Roan Gillespie, Air Corps, from June 7, 1930.

Second Lieut. Kirtley Jameson Gregg, Air Corps, from June 10, 1930.

First Lieut. Clement Franklin St. John, Medical Corps Reserve, for appointment as first lieutenant, Medical Corps, Regular Army, with rank from June 6, 1930.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate June 12 (legislative day of June 9), 1930*

## ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

David E. Kaufman, to Siam.

## CONSUL GENERAL

H. Percival Dodge.

## SECRETARY IN THE DIPLOMATIC SERVICE

H. Percival Dodge.

## CONSUL

Prentiss B. Gilbert.

## SECRETARY IN THE DIPLOMATIC SERVICE

Prentiss B. Gilbert.

## FOREIGN SERVICE OFFICER, CLASS 3

Prentiss B. Gilbert.

## MEMBER OF UNITED STATES SHIPPING BOARD

Edward C. Plummer.

## COAST GUARD

*To be lieutenants*

Eugene S. Endom.  
George N. Bernier.  
Philip E. Shaw.  
Earle G. Brooks.  
Henry T. Jewell.  
Donald F. de Otte.  
Irving E. Baker.  
Gordon A. Littlefield.

Frank Tomkiel.  
Kenneth A. Coler.  
Henry J. Betzmer.  
George C. Whittlesey.  
Beverly E. Moody.  
John A. Fletcher.  
Walter S. Anderson.

*To be lieutenants (junior grade)*

Frank K. Johnson.  
Chester W. Thompson.  
Edwin C. Whitfield.

Leslie D. Edwards.  
Frederick G. Eastman.  
Dwight H. Dexter.

## POSTMASTERS

## ILLINOIS

Helen N. Haugh, Atkinson.  
Harold M. Brown, Brownstown.  
Henry Snow, Maquon.  
Harry B. Metcalf, Normal.

## IOWA

John Geiger, Minden.

## PENNSYLVANIA

Lincoln W. Pentecost, Clarks Summit.

## WITHDRAWAL

*Executive nomination withdrawn from the Senate June 12 (legislative day of June 9), 1930*

First Lieut. Clement Franklin St. John, Medical Corps Reserve, for appointment as first lieutenant, Medical Corps, Regular Army, with rank from May 28, 1930, which was submitted to the Senate on June 6, 1930.



## HOUSE OF REPRESENTATIVES

THURSDAY, June 12, 1930

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

God is our refuge and strength; therefore we would be still and exalt His holy name together. Blessed Father, with patient hearts and willing hands and out of the highest rapture, may we do our plainest work and hardest tasks. Open the gates of difficulty and let us feel that Thy mercy is proof of its divinity. Give us all serene and pleasant thoughts and a devotion to the right that never swerves. O bless us with a simple faith, full of trust and hope and free from all bigotry. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Crockett, its Chief Clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 692. An act for the relief of Ella E. Horner;  
H. R. 827. An act for the relief of Homer C. Rayhill;  
H. R. 885. An act for the relief of George F. Newhart, Clyde Hahn, and David McCormick;

H. R. 969. An act to amend section 118 of the Judicial Code to provide for the appointment of law clerks to United States circuit judges;

H. R. 972. An act to amend an act entitled "An act providing for the revision and printing of the index to the Federal Statutes," approved March 3, 1927;

H. R. 1499. An act for the relief of C. O. Crosby;

H. R. 2030. An act to authorize an appropriation for the purchase of land adjoining Fort Bliss, Tex.;

H. R. 3203. An act to authorize the city of Salina and the town of Redmond, State of Utah, to secure adequate supplies of water for municipal and domestic purposes through the development of subterranean water on certain public lands within said State;

H. R. 4020. An act to authorize the Secretary of the Interior to investigate and report to Congress on the advisability and practicability of establishing a national park to be known as the Upper Mississippi National Park in the States of Iowa, Illinois, Wisconsin, and Minnesota;

H. R. 4469. An act for the relief of Second Lieut. Burgo D. Gill;

H. R. 5190. An act to enable the Postmaster General to authorize the establishment of temporary or emergency star-route service from a date earlier than the date of the order requiring such service;

H. R. 6124. An act to provide for the reconstruction of the Army and Navy Hospital at Hot Springs, Ark.;

H. R. 6186. An act for the relief of Frank Storms;

H. R. 6651. An act for the relief of John Golombiewski;

H. R. 7299. An act for the relief of Hannah Odekirk;

H. R. 7464. An act for the relief of Robert R. Strehlow;

H. R. 7484. An act for the relief of Edward R. Egan;

H. R. 8591. An act for the relief of Henry Spight;

H. R. 8855. An act for the relief of John W. Bates;

H. R. 9169. An act for the relief of the successors of Luther Burbank;

H. R. 9198. An act to remove cloud as to title of lands at Fort Lytleton, S. C.;

H. R. 9300. An act to authorize the Postmaster General to hire vehicles from village delivery carriers;

H. R. 9425. An act to authorize the Secretary of War to donate a bronze cannon to the city of Martins Ferry, Ohio;

H. R. 10780. An act to transfer certain lands to the Ouachita National Forest, Ark.;

H. R. 11007. An act to amend the act of August 24, 1912 (ch. 389, par. 7, 37 Stat. 556; U. S. C., title 39, sec. 631), making appropriations for the Post Office Department for the fiscal year ending June 30, 1913;

H. R. 11082. An act granting a franking privilege to Helen H. Taft;

H. R. 11134. An act to amend section 91 of the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended;

H. R. 11273. An act to extend the times for commencing and completing the construction of a bridge across the Des Moines River at or near Croton, Iowa;

H. R. 11274. An act to amend section 305, chapter 8, title 28 of the United States Code relative to the compilation and print-

ing of the opinions of the Court of Customs and Patent Appeals;

H. R. 11903. An act granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Niagara Falls, N. Y.;

H. R. 11933. An act granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Tonawanda, N. Y.;

H. R. 12440. An act providing certain exemptions from taxation for Treasury bills;

H. J. Res. 289. Joint resolution providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the siege of Yorktown, Va., and the surrender of Lord Cornwallis on October 19, 1781, and authorizing an appropriation to be used in connection with such celebration, and for other purposes; and

H. J. Res. 340. Joint resolution extending the time for the assessment, refund, and credit of income taxes for 1927 and 1928 in the case of married individuals having community income.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 730. An act to amend section 8 of the act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, as amended;

H. R. 3764. An act for the relief of Ruben W. Riley;

H. R. 4189. An act to add certain lands to the Boise National Forest;

H. R. 9110. An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor;

H. R. 10375. An act to provide for the retirement of disabled nurses of the Army and the Navy; and

H. R. 12235. An act to provide for the creation of the Colonial National Monument, in the State of Virginia, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 39. An act for the relief of Kate Canniff;

S. 43. An act for the relief of W. W. Payne;

S. 155. An act for the relief of Jesse J. Britton;

S. 181. An act for the relief of James H. Roache;

S. 325. An act for the relief of former Lieut. Col. Timothy J. Powers;

S. 594. An act for the relief of Lemuel Simpson;

S. 676. An act for the relief of James Evans;

S. 1640. An act for the relief of John E. Ross;

S. 2068. An act for the relief of Lester L. Wilson;

S. 2134. An act to provide for the investigation of certain claims against the Choctaw Indians enrolled as Mississippi Choctaws;

S. 2371. An act to provide for the appointment of two additional justices of the Supreme Court of the District of Columbia;

S. 2471. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Minerva E. Troy;

S. 3416. An act repealing various provisions of the act of June 15, 1917, entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes" (40 Stat. L. 217);

S. 3557. An act to provide for the acquisition of certain timberlands and the sale thereof to the State of Oregon for recreational and scenic purposes;

S. 3614. An act to provide for the appointment of two additional district judges for the northern district of Illinois;

S. 3839. An act for the relief of Fred N. Dunham;

S. 3939. An act to authorize the appointment of two additional justices of the Court of Appeals of the District of Columbia;

S. 4050. An act to confer full rights of citizenship upon the Cherokee Indians resident in the State of North Carolina, and for other purposes;

S. 4164. An act authorizing the repayment of rents and royalties in excess of requirements made under leases executed in accordance with the general leasing act of February 25, 1920;



S. 4283. An act ratifying and confirming the title of the State of Minnesota and its grantees to certain lands patented to it by the United States of America;

S. 4308. An act to authorize the Secretary of the Interior to issue patents for lands held under color of title;

S. 4518. An act granting the consent of Congress to the Texarkana & Fort Smith Railway Co. to reconstruct, maintain, and operate a railroad bridge across Little River in the State of Arkansas, at or near Morris Ferry;

S. 4583. An act to amend the act entitled "An act authorizing the construction of a bridge across the Missouri River, opposite to or within the corporate limits of Nebraska City, Nebr.," approved June 4, 1872;

S. 4585. An act authorizing the State of Florida, through its highway department, to construct, maintain, and operate a free highway bridge across the Choctawhatchee River, near Freeport, Fla.;

S. 4606. An act granting the consent of Congress to the State of Georgia and the counties of Wilkinson, Washington, and Johnson to construct, maintain, and operate a free highway bridge across the Oconee River, at or near Balls Ferry, Ga.;

S. 4612. An act for the relief of the Corporation C. P. Jensen; and

S. 4636. An act to authorize the Secretary of War to resell the undisposed of portion of Camp Taylor, Ky., approximately 328 acres, and to also authorize the appraisal of property disposed of under authority contained in the acts of Congress approved July 9, 1918, and July 11, 1919, and for other purposes.

The message also announced that the Senate had agreed to the amendments of the House to bills of the following titles:

S. 174. An act to provide for the establishment of a branch home of the National Home for Disabled Volunteer Soldiers in one of the Southern States;

S. 4196. An act to authorize the construction, maintenance, and operation of a bridge across the St. Francis River in Craighead County, Ark.; and

S. 4269. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to acquire, construct, maintain, and operate bridges within Kentucky and/or across boundary line streams of Kentucky.

#### WAR DEPARTMENT CONTRACTS

Mr. WURZBACH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4107) to amend the act of May 29, 1928, pertaining to certain War Department contracts by repealing the expiration date of that act, with a House amendment, insist on the House amendment and agree to the conference asked by the Senate, and that conferees be appointed on the part of the House.

The SPEAKER pro tempore (Mr. TILSON). The gentleman from Texas asks unanimous consent to take from the Speaker's table the bill (S. 4017) with a House amendment, insist on the House amendment, and agree to the conference asked by the Senate and appoint conferees. The Clerk will report the bill.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. GARNER. Mr. Speaker, is this agreeable to our side? Has the gentleman from Texas consulted with the Democratic Members who are going on the conference as to this particular bill?

Mr. WURZBACH. Mr. Speaker, I have not had the time to speak to any Democratic member of the committee this morning, but these are the facts in respect to the bill. On Calendar Wednesday, a week ago, this bill, which had the unanimous report of the House Committee on Military Affairs, was under consideration in the House. An amendment offered by the gentleman from New York [Mr. TABER] was adopted from the floor. Thereafter on the same day he stated that he had made a mistake and would like to have the amendment withdrawn. The bill was messaged over to the Senate before the change could be made in the House. Senator REED, the chairman of the Senate Committee on Military Affairs, reported to the Senate that the House had amended the bill, and the Senate refused to concur in the House amendment.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. WURZBACH. Yes.

Mr. STAFFORD. During the consideration of this measure on Calendar Wednesday a week ago our committee was held up by a legislative bludgeon that unless we accepted this amendment offered by the gentleman from New York [Mr. TABER] a point of no quorum would be made. It was an insignificant amendment and was adopted. After further reflection the gentleman from New York saw the error of his ways and ad-

mitted privately that it should not have been incorporated in the bill. This is merely to bring the bill to conference so that that amendment may be eliminated.

Mr. GARNER. All I am seeking to do is to protect this side of the House. As I understand the gentleman from Wisconsin [Mr. STAFFORD] and the gentleman from Texas [Mr. WURZBACH], this action is in accord with the expressed views of the different Members of their committee?

Mr. WURZBACH. Yes. The bill had the unanimous report of the Committee on Military Affairs.

Mr. CRAMTON. Mr. Speaker, I reserve the right to object in order to remind the gentleman from Wisconsin further about this matter of legislative bludgeons. An Indian bill was up the other day and a certain Member, whose name I shall not mention—

Mr. STAFFORD. Oh, it was the gentleman from Wisconsin, representing the fifth district.

Mr. CRAMTON. A certain Member held the bill up with a legislative bludgeon and insisted on certain amendments. That bill is in conference, and I hope it will be worked out as satisfactorily as the difficulty in respect to this bill is worked out.

Mr. STAFFORD. I may say for the benefit of the gentleman from Michigan [Mr. CRAMTON] that I was favored with an audience with the gentleman from Oklahoma [Mr. HASTINGS] this morning, and he gave me information which showed me the error of my ways.

Mr. CRAMTON. Then the mourner's bench is getting full.

Mr. STAFFORD. In that case I considered the report thoroughly, and believed my proposed amendments should be adopted. Subsequently I received additional information which showed that it was not necessary. I make public announcement of this. The only purpose I had was to safeguard the interests of the Indians.

Mr. HASTINGS. I thank the gentleman from Wisconsin.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Mr. RANSLEY, Mr. WURZBACH, and Mr. QUIN.

There was no objection.

#### NORTHERN MINNESOTA—DULUTH SPEECH OF JAMES PROCTOR KNOTT

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of northern Minnesota being a proper place for the Members to spend their vacation, and I ask also unanimous consent to include in the extension an address by Mr. Proctor Knott on the subject of the city of Duluth.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, is that the old speech in which he described Duluth as the zenith city of the unsalted seas?

Mr. PITTENGER. The gentleman is correct.

Mr. STAFFORD. Was that not incorporated in the RECORD many years ago?

Mr. PITTENGER. Fifty-nine years ago.

Mr. CRAMTON. And as I recollect, one of the great points he emphasized was that Duluth was the place where you could take a train that would take you anywhere else in the world.

Mr. RANKIN. Is the gentleman offering that as an inducement to the Republicans, or does he also include the Democrats?

Mr. PITTENGER. Oh, the Democrats also.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker, present indications are that Congress will adjourn within the next few days. The season of vacation and travel is upon us. Many Members of Congress will seek relaxation and rest from their labor of the past months. They want a place where care casts no shadow and the enchanted atmosphere gives health and joy. I point with pride to such a region. It is northern Minnesota, once the home of the Ojibways, and still the land of lakes and sky-blue water. On behalf of our enterprising and up-to-date people, I welcome you, one and all, to the territory famous for its romance, its resources, and its recreation.

I invite you to this paradise of northern Minnesota, where industrial development makes for prosperity. Here you will find the scenes of the explorers, with plenty of tradition and history of their early struggles and exploits. This is nature's beauty spot, with forests and wilderness, with island-dotted lakes, splendid fishing and canoeing, the land of the deer, the moose, and the bear. And Mother Nature made the climate to



suit the occasion. Here there is no oppressive summer heat. On the contrary, the atmosphere is cool and bracing, and at nighttime you sleep beneath a blanket.

Tradition tells us that about the time that William Penn was smoking the pipe of peace with the Indians where Philadelphia is now located, the white man first came to northern Minnesota. Over 275 years ago the French priests and explorers were busy in this territory. In the year 1679 Daniel Graysolon, Sieur du Luth, a nobleman from the court of Louis XIV, explored the Great Lakes and landed at Fond du Lac, which is now a part of Duluth. The city of Duluth was named for this intrepid explorer. At that time the tribes of Ojibway Indians inhabited northern Minnesota. This spot became the first permanent trading post in the locality. The Hudson Bay Co. became established here and held supremacy until 1787, when competition from the Northwest Fur Co. drove them from the territory. With this company is associated the name of John Jacob Astor, one of whose trading posts and storehouses stood at Fond du Lac until about 1830, when it was destroyed by fire. Legend and story of the Indian and the white man during all of this period have their setting in northern Minnesota.

With the march of progress, much of the country has changed. Alongside of its wilderness are populous cities and industries. Agricultural possibilities have been developed, and there are numerous farming communities throughout the district. Numerous enterprising towns and villages greet the visitor. Magnificent highways have been built, and the North Shore Road, along the rim of Lake Superior, leading to Canada, is a highway passing through a country of unsurpassing charm and beauty. Paved highways lead to other sections where nature welcomes the visitor. The eighth congressional district comprises six counties—Cook, Carlton, Itasca, Koochiching, Lake, and St. Louis. The greatest iron mines in the world are found here, in the Vermillion and Mesaba Ranges. Over two-thirds of the iron ore in the United States comes from this district. While large areas of the primeval forest have been cut over, lumbering is still an important industry. Approximately 300,000 people live here. Commerce also claims your attention. Duluth is located at the western end of Lake Superior, and ships bring the commerce of the country to the Duluth-Superior Harbor. In point of tonnage this port is the second largest in the United States. I do not dwell further upon the resources of this marvelous section. It is unique in many ways. For example, turn to your old geographies and read about the "Height of Land." This spot is in the eighth district. From this place the waters flow in three different directions—to the Gulf of St. Lawrence, to the Gulf of Mexico, and to Hudson Bay.

I said that this was the land of recreation, and that is why those of you seeking a real vacation should come to northern Minnesota. The development of the resources and the building of cities and roads have not affected nature's great playground. Great stretches of wilderness are here. The Superior National Forest and other wooded country will take you back to nature. A network of lakes, of all kinds and descriptions, dotted with summer resorts, await your pleasure. These lakes and streams abound in fish—speckled trout, bass, pike, and landlocked salmon. The country has been aptly named the sportsman's paradise. And do not forget the climate. There may be many varieties of weather, but the cool, crisp summer breezes of northern Minnesota can not be duplicated anywhere. They fill the days with delight and the nights with balmy sleep.

This, in brief, is northern Minnesota. It has been very fittingly described in verse by Mr. A. M. Santee, of Duluth, who tells about the wonderland that lies within the borders of the eighth congressional district in the following language:

#### THE ARROWHEAD COUNTRY

Land of rivers, lakes, and valleys,  
Hillsides covered with dark pines,  
Wheat lands stretching to the westward,  
Rich in wealth of iron mines,  
Land of legend where the red man  
Roamed and hunted, lived and died,  
Long ago for thy possession  
Men have fought and nations vied.  
  
Trout streams filled with speckled beauties,  
Pleasant dream of sportsmen fill;  
Morning air filled with wild music,  
Partridge drumming from the hill.  
Land of moose and deer and beaver,  
Home of wild life long to be,  
With thy varied vast resources  
Drawing people unto thee.

Land in which the weary traveler  
Finds relief and peaceful rest,  
Casts aside life's heavy burdens,  
Gathers here from life the best.  
When thy gentle breezes blowing  
Fans the cheek and cools the brow,  
In this wondrous land of beauty  
We in silent reverence bow.

—A. M. SANTEE, Duluth.

In 1928 President Coolidge visited this section. When he left he expressed himself as highly pleased with the "vigorous, enterprising, growing region," its recreational advantages, wonderful climate, and the hospitality of the people.

Mr. Speaker, in 1871, when this region was still "the forest primeval," and men of vision were seeking legislation in the Congress of the United States to authorize a land grant to aid in the building of railroads in the north country, James Proctor Knott, a Representative from Kentucky, delivered one of the greatest satires in the English language. Ulysses S. Grant was President of the United States and James G. Blaine was Speaker of the House. Duluth was just a struggling village, buried in the wilderness on the shores of Lake Superior. Everything that Proctor Knott said in jest and ridicule on that day afterwards became a reality. That was 59 years ago. Mr. Knott spoke as follows:

#### MR. KNOTT'S ADDRESS

Mr. Speaker, if I could be actuated by any conceivable inducement to betray the sacred trust reposed in me by those to whose generous confidence I am indebted for the honor of a seat on this floor; if I could be influenced by any possible consideration to become instrumental in giving away, in violation of their known wishes, any portion of their interests in the public domain for the mere promotion of any railroad enterprise whatever, I should certainly feel a strong inclination to give this measure my most earnest and hearty support, for I am assured that its success would materially enhance the pecuniary prosperity of some of the most valued friends I have on earth, friends for whose accommodation I would be willing to make almost any sacrifice not involving my personal honor or fidelity as the trustee of an express trust. And that fact of itself would be sufficient to countervail almost any objection I might entertain to the passage of this bill, not inspired by an imperative and inexorable sense of public duty.

But, independent of the seductive influences of private friendship, to which I admit I am, perhaps, as susceptible as any of the gentlemen I see around me, the intrinsic merits of the measure itself are of such an extraordinary character as to commend it most strongly to the favorable consideration of the House, myself not excepted, notwithstanding my constituents, in whose behalf alone I am acting here, would not be benefited by its passage one particle more than they would be by a project to cultivate an orange grove on the bleakest summit on Greenland's icy mountains. [Laughter.]

Now, sir, as to those great trunk lines of railroads spanning the continent from ocean to ocean, I confess my mind has never been fully made up. It is true they may afford some trifling advantages to local traffic, and they may even, in time, become the channel of a more extended commerce; yet I have never been thoroughly satisfied either of the necessity or expediency of projects promising such meager results to the great body of the people. But with regard to the transcendent merits of the gigantic enterprise contemplated in this bill I never entertained a shadow of doubt. [Laughter.] Years ago, when I first heard that there was, somewhere in the vast terra incognita, somewhere in the bleak region of the Northwest, a stream of water known to the nomadic inhabitants of the neighborhood as the River St. Croix, I became satisfied that the construction of a railroad from that raging torrent to some point in the civilized world was essential to the prosperity and happiness of the American people, if not absolutely indispensable to the perpetuity of the republican institutions on this continent. [Great laughter.] I had an abiding presentiment that some day or other the people of the whole country, irrespective of party affiliations, regardless of sectional prejudices, and "without distinction of race, color, or of previous condition of servitude," would rise in their majesty and demand an outlet for the enormous agricultural products of those vast and fertile pine barrens, drained in the rainy season by the surging waters of the turbid St. Croix. [Great laughter.]

These impressions, derived simply and solely "from the eternal fitness of things," were not only strengthened by the interesting and eloquent debate on this bill, to which I listened with so much pleasure the other day, but intensified, if possible, as I read over this morning the lively colloquy which took place on that occasion. The honorable gentleman from Minnesota, Mr. Wilson, who, I believe is managing this bill, in speaking of the character of the country through which this railroad is to pass, says this: "We want to have the timber brought to us as cheaply as possible. Now, if you tie up the lands in this way, so that no title can be obtained to them—for no settler will go on these



lands, for he can not make a living—you deprive us of the benefit of that timber." Now, sir, I would not have it, by any means, inferred from this that the gentleman from Minnesota would insinuate that the people in that section desire this timber merely for the purpose of fencing up their farms so that their stock may not wander off and die of starvation among the bleak hills of the St. Croix. [Laughter.] I read it for no such purpose, sir, and make no such comments on it myself. In corroboration of this statement from the gentleman from Minnesota, I find this testimony given by the honorable gentleman from Wisconsin, Mr. Washburn, who, speaking of the same lands, said: "They are generally sandy, barren lands. My friend from Gray Bay district, Mr. Sawyer, is perfectly familiar with this question, and he will bear me out in what I say, that these pine timberlands are not adapted to settlement." Now, sir, who, after listening to this emphatic and unequivocal testimony of these intelligent, competent, and able-bodied witnesses [laughter], who, that is not as incredulous as St. Thomas himself, will doubt for a moment that the Goshen of America is to be found in the sandy valleys and upon the pine-clad hills of the St. Croix? [Laughter.]

Who will have the hardihood to rise in his seat on this floor and assert that, excepting the pine bushes, the entire region would not produce vegetation enough in 10 years to fatten a grasshopper? [Great laughter.] Where is the patriot who is willing that his country shall incur the peril of remaining another day without the amplest railroad communication with such an inexhaustible mine of agricultural wealth? [Laughter.] Who will answer for the consequences of abandoning a great and warlike people in possession of a country like that to brood over the indifference and neglect of their government? [Laughter.] How long would it be before they would take to studying a declaration of independence and hatching out the damnable heresy of secession? How long before the grim demon of civil discord would rear again his horrid head in our midst, "gnash loud his iron fangs, and shake his crest of bristling bayonets"? [Laughter.] Then, sir, think of the long and painful process of reconstruction that must follow, with its concomitant amendments to the Constitution; the seventeenth, eighteenth, and nineteenth articles. The sixteenth, it is, of course, understood, is to be appropriated to those blushing damsels who are, day after day, beseeching us to let them vote, hold office, drink cocktails, ride astraddle, and do everything else the men do. [Roars of laughter.] But, above all, sir, let me implore you to reflect for a moment on the deplorable condition of our country in case of a foreign war; with all our ports blockaded; all our cities in a state of siege; the gaunt specter of famine brooding like a hungry vulture over our starving land; our commissary stores all exhausted, our famished armies withering away in the field, a helpless prey to the insatiate demon of hunger; our Navy rotting in the docks for want of provisions for our gallant seamen; and we without any railroad communication whatever with the prolific pine thickets of the St. Croix. [Great laughter.]

Ah, sir, I could well understand why my amiable friends from Pennsylvania [Mr. Meyers, Mr. Kelly, and Mr. O'Neill] should be so earnest in their support for this bill the other day, and if their honorable colleague, my friend Mr. Randall, will pardon the remark, I will say I consider his criticism of their action on that occasion as not only unjust but ungenerous. I knew they were looking forward with far-reaching ken of enlightened statesmanship to the pitiable condition in which Philadelphia will be left unless speedily supplied with railroad connection. In some way, with this garden spot of the universe. [Laughter.] And, besides, sir, this discussion has relieved my mind of a mystery that has weighed upon it like an incubus for years. I could never understand before why there was so much excitement during the last Congress over the acquisition of Alta Vela. I could never understand why it was that some of our ablest statesmen and most distinguished patriots should entertain such dark forebodings of the untold calamities that were to befall our country unless we should take immediate possession of that desirable island. But I see now that they are laboring under the impression that the Government will need guano to manure the public lands of the St. Croix. [Great laughter.] Now, sir, I repeat, I had been satisfied for years that if there was any portion of the habitable globe absolutely in a suffering condition for a railroad, it was the teeming pine barrens of the St. Croix. [Laughter.] At what particular point on that noble stream such a road should be commenced I knew was immaterial, and so it seems to have been considered by the draftsman of this bill. It might be up at the spring or down at the foot log, or the water gate, or the fish dam, or anywhere along the bank, no matter where. [Laughter.] But in what direction it should run, or where it should terminate, were always, in my mind, questions of the most painful perplexity. I could conceive of no place on God's green earth in such straightened circumstances for railroad facilities as to be likely to desire or willing to accept such a connection. [Laughter.]

I know that neither Bayfield nor Superior City would have it, for they both indignantly spurned the munificence of the Government when coupled with such ignominious conditions, and let this very same land grant die on their hands years and years ago rather than submit to the degradation of direct communication by railroad with the piney woods of the St. Croix; and I know that what the enterprising inhabitants of

those giant young cities refused to take would have few charms for others, whatever their necessities or their cupidity might be. [Laughter.] Hence, as I have said, sir, I was utterly at loss to determine where the terminus of this great and indispensable road should be, until I accidentally overheard some gentlemen the other day mention the name of "Duluth." [Great laughter.] "Duluth!" The word fell upon my ear with peculiar and indescribable charm, like the gentle murmur of a low fountain stealing forth in the midst of roses, or the soft sweet accents of an angel's whisper in the bright, joyous dream of sleeping innocence. Duluth! 'Twas the name for which my soul had panted for years as a heart panteth for the waterbrooks. [Renewed laughter.] But where was Duluth? Never, in my limited reading, had my vision been gladdened by seeing the celestial word in print. [Laughter.] And I felt a profound humiliation in my ignorance that its dulcet syllables had never before ravished my delighted ear. [Roars of laughter.] I was certain the draftsman of this bill had never heard of it, or it would have been designated as one of the termini of this road. I asked my friends about it, but they knew nothing of it. I rushed to my library and examined all the maps I could find. [Laughter.] I discovered in one of them a delicate hairlike line, diverging from the Mississippi at a place marked Prescott, which I supposed was intended to represent the River St. Croix, but I could nowhere find Duluth! Nevertheless, I was confident that it existed somewhere, and that its discovery would constitute the crowning glory of the present century, if not of all modern times. [Laughter.] I knew it was bound to exist in the very nature of things; that the symmetry and perfection of our planetary system would be incomplete without it. [Renewed laughter.] That the elements of material nature would have long since resolved themselves back into original chaos if there had been such a hiatus in creation as would have resulted from leaving out Duluth. [Roars of laughter.] In fact, sir, I was overwhelmed with the conviction that Duluth not only existed somewhere, but that, wherever it was, it was a great and glorious place. I was convinced that the greatest calamity that ever befell the benighted nations of the ancient world was in their having passed away without a knowledge of the actual existence of Duluth; that their fabled Atlantis, never seen, save by the hallowed visions of inspired poesy, was, in fact, but another name for Duluth; that the golden orchard of Hesperides was but a poetical synonym for the beer gardens in the vicinity of Duluth. [Laughter.] I was certain that Herodotus had died a miserable death because, in all his travels and all his geographical researches he had never heard of Duluth. [Laughter.] I knew that if the immortal spirit of Homer could look down from another heaven than that created by his own celestial genius, upon the long lines of pilgrims from every nation of the earth to the gushing fountain of poesy opened by the touch of his magic wand; if he could be permitted to behold the vast assemblage of grand and glorious productions of the lyric art called into being by his own inspired strain, he would weep tears of bitter anguish that, instead of lavishing all the stores of his mighty genius upon the fall of Iliad, it had not been his more blessed lot to crystallize in deathless song the rising glories of Duluth. Yet, sir, had it not been for this map kindly furnished me by the Legislature of Minnesota, I might have gone down to my obscure and humble grave in an agony of despair, because I could not nowhere find Duluth. [Renewed laughter.] Had such been my melancholy fate, I have no doubt but that, with the last feeble pulsation of my breaking heart, with the last faint exhalation of my fleeting breath, I should have whispered, "Where is Duluth?" [Laughter.]

But, thanks to the beneficence of that band of ministering angels who have their bright abode in the far-off capital of Minnesota, just as the agony of my anxiety was about to culminate in the frenzy of despair, this blessed map was placed in my hands, and as I unfolded it a resplendent scene of ineffable glory opened before me, such as I imagined burst upon the enraptured vision of the wandering peri through the opening gates of paradise. [Renewed laughter.] There, for the first time, my enchanted eyes rested upon the ravishing word, "Duluth." This map, sir, is intended, as it appears from its title, to illustrate the position of Duluth in the United States, but if gentlemen will examine it, I think they will concur with me in the opinion that it is far too modest in its pretensions. It not only illustrates the position of Duluth in the United States, but exhibits its relations with all created things. It even goes farther than this. It lifts the shadowy veil of futurity and affords us a view of the golden prospects of Duluth far along the dim vista of ages yet to come. If gentlemen will examine it they will find Duluth not only in the center of the map but represented in a series of concentric circles 100 miles apart, and some of them as much as 4,000 miles in diameter, embracing alike in their tremendous sweep the fragrant savannas of the sunlit South and the eternal solitudes of snow that mantle the ice-bound North. [Laughter.] How the circles were produced is, perhaps, one of those primordial mysteries that the most skillful paleologists will never be able to explain. But the fact is, sir, Duluth is preeminently a central place, for I have been told by gentlemen who have been so reckless of their personal safety as to venture away in those awful regions where Duluth is supposed to be that it is so exactly in the center of the visible universe that the sky comes down at precisely the same distance all around it. [Roars of laughter.] I find by reference to this map that Duluth is situated



somewhere near the western end of Lake Superior, but as there is no dot or other mark indicating its exact location, I am unable to say whether it is actually confined to any particular spot or whether "it is just lying around there loose." [Renewed laughter.]

I really can not tell whether it is one of those ethereal creations of intellectual frostwork, more intangible than the rose-tinted cloud of a summer sunset; one of those airy exhalations of the speculator's brain, which I am told are ever flitting in the form of towns and cities along the lines of railroads built with Government subsidies, luring the unwary settler as the mirage of the desert lures the famishing traveler on and ever on, until it fades away on the darkening horizon, or whether it is a real, bona fide, substantial city, all "staked off," with the lots marked with their owners' names, like that proud commercial metropolis recently discovered on the desirable shore of San Domingo. [Laughter.] But however that may be, I am satisfied Duluth is there, or thereabouts, for I see it stated here on this map that it is exactly 3,990 miles from Liverpool [laughter], though I have no doubt, for the sake of convenience, it may be moved back 10 miles so as to make the distance an even 4,000. [Renewed laughter.] Then, sir, there is the climate of Duluth, unquestionably the most salubrious and delightful to be found anywhere on the Lord's earth. Now, I have always been under the impression, as I presume other gentlemen have, that, in the region around Lake Superior, it was cold enough for at least nine months in the year to freeze the smokestack off a locomotive. [Great laughter.] But I see it represented on this map that Duluth is situated just exactly half way between the latitudes of Paris and Venice, so that gentlemen who have inhaled the exhilarating airs of the one or basked in the golden sunshine of the other must see at a glance that Duluth must be a place of untold delights [laughter], a terrestrial paradise fanned by the balmy zephyrs of an eternal spring, clothed with gorgeous sheen of ever-blooming flowers, and vocal with the silver melody of nature's choicest songsters. [Laughter.] In fact, sir, since I have seen this map I have no doubt that Byron was vainly endeavoring to convey some faint conceptions of the delicious charms of Duluth when his poetic soul gushed forth in the rippling strains of that beautiful rhapsody—

"Know ye the land of the cedar and pine,  
Where the flowers ever blossom, the beams ever shine;  
Where the light wings of zephyr, oppressed with perfume  
Wax faint o'er the garden of gull in her bloom;  
Where the citron and olive are fairest of fruit—  
And the voice of the nightingale never is mute;  
Where the tints of the earth and the hues of the sky,  
In color though varied, in beauty may die?"

As to the commercial resources of Duluth, sir, they are simply illimitable and inexhaustible, as is shown by this map. I see it stated here that there is a vast scope of territory, embracing an area of over 2,000,000 square miles, rich in every element of material wealth and commercial prosperity, all tributary to Duluth. Look at it, sir [pointing to the map]. Here are inexhaustible mines of gold, immeasurable veins of silver, impenetrable depths of boundless forest, vast coal mines, wide extended plains of richest pasturage—all, all embraced in this vast territory, which must in the very nature of things empty the untold treasures of its commerce into the lap of Duluth. [Laughter.] Look at it, sir [pointing to the map]. Do you not see these broad brown lines drawn around this immense territory, that the enterprising inhabitants of Duluth intend, some day, to inclose it all in one vast corral, so that its commerce will be bound to go there whether it would or not? [Great laughter.] And here, sir [still pointing to the map], I find, within a convenient distance, the Piegian Indians, which of all the many accessories to the glory of Duluth I consider by far the most inestimable. For, sir, I have been told that when smallpox breaks out among the women and children of that famous tribe, as it sometimes does, they afford the finest subjects in the world for strategical experiments of any enterprising military hero who desires to improve himself in the noble art of war [laughter], especially for any Lieutenant general whose

"Trenchant blade, Toledo trusty,  
For want of fighting has grown rusty,  
And eats into itself for lack  
Of somebody to hew and hack."

Sir, the great conflict now raging in the Old World has presented a phenomenon in military science unprecedented in the annals of mankind, a phenomenon that has reversed all the tradition of the past as it has disappointed all expectations of the present. A great and warlike people, renowned alike for their skill and valor, have been swept away before the advance of an inferior foe, like the autumn stubble before a hurricane of fire. For aught I know the new flash of the electric fire that shimmers along the ocean cable may tell us that Paris, with every fiber quivering with the agony of impotent despair, writhes beneath the conquering heel of her cursed invader. Ere another moon shall wax and wane the brightest star in the galaxy of nations may fall from the zenith of her glory, never to rise again. Ere the modest violet of early spring shall open her beauteous eyes, the genius of civilization may chant the unavailing requiem of the proudest nationality the world has ever seen, as she scatters her withered and tear-moistened lilies o'er the bloody tomb of butchered France. But sir, I wish to ask

you if you candidly believe that the Dutch would have overrun the French in that kind of style if General Sheridan had not gone over there and told King William and Von Moltke how he managed to whip the Piegian Indians?

(Here the hammer fell.)

Many cries, "Go on!" "Go on!"

THE SPEAKER. Is there any objection to the gentleman from Kentucky continuing his remarks? The Chair hears none. The gentleman will proceed.

Mr. KNOTT. I was about remarking, sir, upon these vast "wheat fields" represented on this map in the immediate neighborhood of the buffaloes and the Piegians, and was about to say that the idea of there being these immense wheat fields in the very heart of a wilderness hundreds and hundreds of miles beyond the utmost verge of civilization may appear to some gentlemen rather incongruous—as rather too great a strain on the "blankets" of veracity. But, to my mind, there is no difficulty in the matter whatever. The phenomenon is very easily accounted for. It is evident, sir, that the Piegians sowed that wheat there and plowed it with buffalo bulls. [Great laughter.]

Now, sir, this fortunate combination of buffaloes and Piegians, considering their relative positions to each other and to Duluth, as they are arranged on the map, satisfies me that Duluth is destined to be the beef market of the world. Here you will observe [pointing to the map] are the buffaloes, directly between the Piegians and Duluth; and here, right on the road to Duluth, are the Creeks. Now, sir, when the buffaloes are sufficiently fat from grazing on these immense wheat fields, you see it will be the easiest thing in the world for the Piegians to drive them on down, stay all night with their friends the Creeks, and go into Duluth in the morning. I think I see them now, sir, a vast herd of buffaloes, with their heads down, their eyes glaring, their nostrils dilated, their tongues out, and their tails curled over their backs, tearing along toward Duluth, with about a thousand Piegians on their grass-bellied ponies yelling at their heels. [Great laughter.] On they come! As they sweep past the Creeks they join in the chase, and away they all go, yelling, bellowing, ripping along amid clouds of dust, until the last buffalo is safely penned in the stockyards of Duluth. [Shouts of laughter.] Sir, I might stand here for hours and expatiate upon the gorgeous prospects of Duluth as depicted upon this map. But human life is too short and the time of this house far too valuable to allow me to linger longer upon the delightful theme. [Laughter.] I think every gentleman on this floor is as well satisfied as I am that Duluth is destined to become the commercial metropolis of the universe and that this road should be built at once. I am fully persuaded that no patriotic representative of the American people who has a proper appreciation of the associated glories of Duluth and the St. Croix will hesitate a moment to say that every able-bodied female in the land between the ages of 18 and 45 who is in favor of woman's rights should be drafted and set to work on this great work without delay. [Roars of laughter.]

Nevertheless, sir, it grieves my very soul to be compelled to say that I can not vote for the grant of lands provided for in this bill. Ah, sir, you can have no conception of the poignancy of my anguish that I am deprived of the blessed privilege. [Laughter.] There are two insuperable obstacles in the way. In the first place, my constituents, for whom I am acting here, have no more interest in this road than they have in the great question of culinary taste, now perhaps agitating the public mind of Dominica, as to whether the illustrious commissioners who recently left the Capital for that free and enlightened Republic would be better fricased, boiled, or roasted [great laughter]; and in the second place, these lands, which I am asked to give away, alas, are not mine to bestow! My relation to them is simply that of trustee to an express trust. And shall I ever betray that trust? Never, sir! Rather perish Duluth. [Shouts of laughter.] Perish the paragon of cities! Rather let the freezing cyclones of the bleak Northwest bury it forever beneath the eddying sands of the St. Croix. [Great laughter.]

#### IN CONCLUSION

This famous speech of James Proctor Knott has been read and reread all over America. Little did the Congressman realize, in 1871, when he was talking to an appreciative audience and holding up to ridicule a fishing village, the possibilities of the future. In the year 1930, Duluth boasts of a population of upward of 100,000 people. It is the terminus of nine important systems of railways. It is the terminus of 32 freight and passenger steamship lines. Magnificent grain elevators are a part of its development. The assessed valuation of its real and personal property amounts to many millions. Thousands of farms are now found in this northern territory. The large and imposing ore docks in the Duluth-Superior Harbor furnish facilities for the shipment of iron ore down the Great Lakes.

Mr. Speaker and Members of the House, I am sure that I do not need to continue with the recital of the splendid pleasure which awaits you if you decide to favor northern Minnesota this summer with a visit.

Come and enjoy our hospitality and then carry away with you the pleasant memories of an outing spent in a country blessed with all of the advantages of men and nature.



## INDIAN VILLAGE AT ELKO, NEV.

Mr. ARENTZ. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 11443) to provide for an Indian village at Elko, Nev.

The SPEAKER pro tempore. Is this a matter of emergency?

Mr. ARENTZ. Yes.

The SPEAKER pro tempore. The gentleman from Nevada asks unanimous consent for the present consideration of the bill H. R. 11443, which the Clerk will report.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed the sum of \$20,000 to be expended in the discretion of the Secretary of the Interior for the purchase of a village site for the Indians now living near Elko, Nev.; for the removal, repair, and enlargement of their present homes and the construction of new homes, where necessary; and for the installation of sanitary sewer and water systems for said village, including connection, if practicable, to the water system of Elko, Nev.

Mr. CRAMTON. Reserving the right to object—and I am not going to object—I may say that I am in sympathy with the legislation. I understand the gentleman states that it is in harmony with the department's report and the Budget's report?

Mr. ARENTZ. Yes. Both are favorable.

Mr. CRAMTON. And it has been recommended to me by people acquainted with the situation.

Mr. ARENTZ. Yes.

Mr. EDWARDS. Reserving the right to object, we have precedents for this legislation, have we not?

Mr. ARENTZ. Oh, yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the last vote was laid on the table.

## OLD-AGE PENSIONS

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of old-age pensions.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to extend his remarks on the subject of old-age pensions. Is there objection?

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker and ladies and gentlemen of the House, in view of the fact that the material wealth of this country is increasing \$19,000,000,000 a year, and the further fact that the resources of the country are ample to make proper provision for the less fortunate without undue hardship upon the more fortunate, it seems to be distinctly worth while for the country to consider the matter of providing adequately for the aged.

We should all regard human dignity too highly to want the old regarded as subjects of charity any more than the young. Those who have been economic factors and have contributed to the wealth of the country should be taken care of just as the young being prepared to become economic factors should be taken care of.

There will, of course, come a time when we shall have practically no problem of age and poverty, as universal education will gradually bring about a fair distribution of the Nation's wealth and income.

But at the present I am of the opinion the country should be more seriously considering and putting into execution laws looking to the economic protection of the aged.

A recent pertinent comment says:

As regards such legislative protection for the aged, the United States remains the most laggard of all nations. Only at the present time has the movement for old-age security become a national force. And, although the subject has been officially studied, investigated, analyzed, re-investigated, and discussed in the United States for over 20 years, we are still in the study-making stage. Massachusetts and Pennsylvania each had four commissioners to consider the subject without arriving at any tangible result; and the president of a leading insurance company urged the New York State commission at its recent hearing to continue to "study" the subject.

It is true that 10 States—Montana, Nevada, Wisconsin, Kentucky, Maryland, Colorado, Minnesota, Wyoming, Utah, and California—in addition to the Territory of Alaska, have placed old-age pension laws on their statute books; but it is also true that pensions are actually being paid in only four of these States and in the one Territory. In five States these laws are practically a dead letter, since their adoption was left optional with the individual counties, and since no State support was provided. Even in the three States of Montana, Wisconsin, and

Utah, which are the honorable exceptions, not all counties have adopted the old-age pension plan, and altogether there are less than 2,000 persons receiving pensions under the present laws. However, much may be expected from the California law, in effect since January 1.

Six of the eleven States having old-age pension laws provide a 70-year age qualification. Maryland, Nevada, Utah, and Wyoming fix the minimum age at 65 years. In Alaska it is 65 for men and 60 for women. A maximum pension of \$1 a day is allowed in six States—California, Colorado, Maryland, Minnesota, Nevada, and Wisconsin. Wyoming fixes the maximum at \$30 a month, Montana and Utah at \$25 a month, and Alaska at \$25 a month for men and \$15 a month for women. Kentucky fixes the maximum on a yearly basis of \$250. The cost of these pensions falls chiefly upon the individual counties, although in Alaska it is wholly assumed by the Territorial government. In California the State and the counties share the cost equally. In Wisconsin the State refunds one-third of the cost to the county. In the other States the counties are expected to bear the whole of the cost, and they often refuse to assume this burden. And so, even in the few States which have adopted old-age pension laws, much remains to be done before the aged are freed from destitution.

And yet in America to-day there is at least a definite awakening toward our neglect of the aged poor. The movement for old-age security has become a public issue throughout the Nation. In 1929 about 50 bills were introduced in 28 legislatures and in Congress.

In four States these bills were enacted into laws. The activities of the New York Commission on Old Age Security have been followed all over the country, and the bill submitted by it to the legislature has just been passed by both houses. The governor signed it on April 10. This bill, while not altogether satisfactory, unquestionably signifies the most important move toward old-age security that has been made in America up to the present time. And so the struggle progresses from one State to another. "A good New York State law in 1930," said one authority, "will insure old-age pension legislation throughout the United States in 1940."

Over so many of our people there hangs throughout life the specter of dependent old age. Society should do what it can to remove that specter.

Anything which would tend to remove the fear of age and want will not only increase the happiness of our people but also infinitely increase their vision and their usefulness, which in turn will greatly decrease the probability of their ever being in a condition of dependent old age.

## LEAVE OF ABSENCE

Mr. MOORE of Virginia. Mr. Speaker, I ask unanimous consent that my colleague [Mr. BLAND] be granted leave of absence to-day on account of sickness.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

## CLASSIFICATION OF CLERKS IN THE FOREIGN SERVICE

Mr. TEMPLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 9110, disagree to the Senate amendments, and ask for a conference.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 9110) for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor.

The SPEAKER pro tempore. Is there objection?

Mr. CRAMTON. Reserving the right to object, Mr. Speaker, I notice by the RECORD that the Senate has taken that bill, properly described by title, and placed thereon an amendment that is not germane. On this salary provision bill they have added a general reorganization of the Foreign Service.

That policy of the Senate which they indulge in just as often as they think they can get by with it is a highly undesirable policy from the legislative standpoint. This unrelated matter has not been considered by this House. We are asked to permit two or three conferees to go over there and consider, not an amendment, but a bill of much more importance than the bill which we sent to them. It is not the proper way to legislate, and I feel that I must make a point of order against that amendment.

Mr. LINTHICUM. This bill passed the Senate about a year ago—the one the gentleman speaks of.

Mr. CRAMTON. But this House has never had a chance to consider that bill. I do not say that I am necessarily against that bill, but I do assert that the House and Senate are co-ordinate legislative bodies, and that there is a proper way for



legislation to be considered, and that it is not a proper way for the Senate to add an important bill as an amendment to a minor bill.

Mr. TEMPLE. The gentleman knows that the request for unanimous consent was to disagree to the Senate amendments and ask for a conference.

Mr. CRAMTON. Yes; and then what happens? Either three or five Members of the House go over and consider this important legislation, with never any chance for this House to discuss it, with never any chance for this House to decide whether or not it wants to amend that legislation. It is asking that three or five Members of the House go over to the Senate and in conference there determine this legislation. I make the point of order that the Senate amendment is not germane to the House bill.

Mr. BLANTON. The point of order made by the gentleman from Michigan [Mr. CRAMTON] ought to be decided at this time. Otherwise it might be considered as waived.

The SPEAKER pro tempore. There can be no point of order. The bill is not yet before the House. Is there objection?

Mr. CRAMTON. Reserving the right to object, Mr. Speaker, I do not desire to delay the consideration of the bill. If those who will be the House conferees are prepared to assure the House that this nongermane amendment will not be agreed to, then I will not insist on my objection.

Mr. LINTHICUM. We will agree that the House shall have an opportunity to pass upon it.

Mr. CRAMTON. It has to be disagreed to. We are not going to legislate in that fashion.

Mr. DYER. That is not a free conference.

Mr. CRAMTON. Well, I object, Mr. Speaker.

The SPEAKER pro tempore. Objection is heard.

#### INLAND WATERWAY TRANSPORTATION

The SPEAKER pro tempore. Under the special order the gentleman from Missouri [Mr. HOPKINS] is recognized for 15 minutes.

Mr. HOPKINS. The development of the inland waterways is of the utmost importance to the people of the Missouri Valley.

When cheap river transportation is opened to the farmer and the manufacturer of the Missouri Valley, the value of productive farm land will be increased from \$25 to \$50 per acre and the costs of production of our manufactured products substantially lowered.

Cheaper transportation costs for the Missouri Valley mean—

First. Increased income for all producers of agricultural and manufactured products.

Second. Lower prices to the consumer as well as the producer on articles that we now ship into this region from long distances.

Third. Regular employment and good wages for labor. Industries can then afford to set up factories in the cities and towns along the river that now must seek elsewhere nearer the seaboard in order to get lower transportation costs.

Fourth. The young men and women of the Middle West will not need to seek afar for opportunities, because this will tend to check the movement of population away from the rural sections of the United States to the great industrial centers in the East.

The industrial recovery of the Middle West which would result from lower transportation costs would provide greater business for the railroads of the Middle West as well as other industries.

It is now generally conceded that the outstanding problem of the great agricultural section of the United States lying in the Missouri Valley is one of finding lower marketing costs, and the most promising solution is the development of the transportation system on our inland waterways.

The greatly increased freight costs in the Middle West since the construction of the Panama Canal have left the farmers and the industries of that great landlocked section in a prejudiced situation when compared with competitors nearer the coast and in foreign countries.

Transportation costs on the ocean are but little above the pre-war level. The wheat and corn growers of the Argentine and Australia are very close to their seaboard and their markets, while the American farmer must ship from 600 to 2,500 miles to reach his seaboard. This situation forces the American farmer to pay from 6 to 8 cents more per bushel for freight on his grain than is paid by his biggest competitors. It is an admitted fact that in a competitive market the farmer must pay the freight on the product he ships. Therefore every cent saved by cheaper transportation costs goes into his own pocket. This same illustration would hold true for every other product produced in the Middle West and sold in the East or abroad.

Not only are the farmers directly discriminated against under the present arrangement of freight costs, but every city, town,

and village in the Missouri Valley has felt the "pinch" for the same reason.

Mr. ANDRESEN. Will the gentleman yield for a question?

Mr. HOPKINS. Yes.

Mr. ANDRESEN. In connection with the statement the gentleman has just made, the same applies to the entire Mississippi Valley as well as the Missouri Valley.

Mr. HOPKINS. I am glad the gentleman interjected that. I am discussing particularly the Missouri Valley, but what I say will hold true for not only the Missouri Valley but other valleys affected by the rivers of our inland waterway system.

Owners of factories and industries must, upon selecting a location, take into consideration the costs of transportation. Of course, other factors are also considered, such as source of raw material, labor, and so forth. Yet, without doubt, many industries that otherwise would have located in St. Joseph, Omaha, Sioux City, or some other city of the Middle West, have selected cities where transportation costs were more favorable.

Let us examine closely some of the facts concerning the possibilities of waterway transportation in this great landlocked area of the Missouri Valley, particularly that section above Kansas City, the section tributary to the upper Missouri River.

I do not hesitate to lay down the thesis that from the standpoint of benefits that will accrue to the people of the Missouri Valley, as well as to the people of the whole Nation, there is no other one river project that can compare to that of the upper Missouri River. Agriculture and industry of the nine great States of this area will be directly benefited—Missouri, Iowa, Kansas, Nebraska, North and South Dakota, Montana, Wyoming, and Colorado. Practically none of the benefits of water transportation as it is now being rapidly developed in the Mississippi Valley, including the St. Lawrence and Great Lakes waterway, will come to the people of these nine great States unless the Missouri River is made navigable to as far north, at least, as Sioux City.

The Missouri River Valley is the greatest agricultural area in the world. Over one-half of all the grain produced in the United States is grown there. No other section surpasses it in the production of livestock for the market. Every city and town in the valley is more directly dependent on agriculture than is any other section of the United States. While nearly one-half of the agricultural products of the United States is grown there only a small part is consumed by the people who live there. The great surpluses produced in this area feed the East and the South and make up the greater share of our exportable surplus. Eighty per cent of the wheat and rye that is raised there is shipped out; 28 per cent of the corn and oats raised there is shipped to outside markets in the form of grain, and the greater part of the rest is shipped out after being fed to stock in the form of packed meat from some of our great packing plants in the valley.

If we can bring this great food-producing area closer to its market by reducing costs of transportation, the income of the farmers will be materially increased without raising the costs to the consumer. Likewise, if costs of transportation in this section were on a par with that in other sections of our country, great industries could locate in the cities and towns of the valley, thus providing an ever-expanding market for the goods produced both on the farm and in the factory.

Mr. DYER. Would the gentleman, whom I know has given so much thought and study to this project, kindly inform the Members of the House of the total estimated cost of this project, as well as what is carried in this bill for the upper Missouri?

Mr. HOPKINS. The cost of completing the entire river from Kansas City to Sioux City is estimated to be \$46,000,000. Twelve millions have already been authorized by law, and we are now asking this Congress to authorize an additional \$15,000,000 in order that work on this great project will be speeded up rather than slowed up. We are asking this Congress to make it possible to hasten the day when the farmers of the Middle West will no longer have the longest and most expensive freight haul of any section in the United States.

These expenditures are worth while and represent a sound investment. It is doubtful if any other waterway project can justify the great expenditures being made as well as can this one.

Mr. ELLIS. Can the gentleman give some specific illustration, based on actual figures, of the probable savings to the people of the Missouri Valley when this project is completed?

Mr. HOPKINS. Based on the figures of the 1928 crops, there would have been 21,000,000 tons of grain shipped on the river at an estimated saving of approximately \$2 per ton, or 6 cents per bushel. This represents a saving of \$43,000,000 on outgoing grains alone.



I wish to say that these figures are taken from a survey made of the situation by the chambers of commerce of the cities along the river.

Mr. MANLOVE. Will the gentleman yield?

Mr. HOPKINS. I yield.

Mr. MANLOVE. Do I understand the gentleman to call attention to the fact that the cost of this project would be paid for in the saving to the agricultural interests in a single year?

Mr. HOPKINS. The entire cost of this project could be saved to the people in one year, and more, on outgoing grain, incoming raw materials for manufacture, and manufactured products.

Many other savings on other products shipped could be listed. More than 9,000,000 tons of alfalfa hay is produced in this area each year that can not be shipped to the East and South, as it once was, due to the increased freight rates. Before the shift in freight rates as high as 25,000 cars of hay were shipped annually from Kansas City. Now only about one-third to one-half that amount is shipped from the same market.

A survey of upstream or inbound tonnage on the Missouri River between Kansas City and Sioux City indicated an annual movement of 6,000,000 tons of raw materials and finished products of manufacture into this district that could be shipped on the river at a saving of \$8,000,000.

From these two illustrations alone it is plain that the annual savings to the people of the Missouri Valley will more than equal the entire cost of the project. Certainly, then, all possible speed should be made in its completion.

Mr. MANLOVE. I have heard the gentleman from Missouri give some very interesting comparisons of transportation costs in the Missouri Valley as compared with other sections of this country and foreign countries. I wonder if the gentleman would repeat them for the House at this time.

Mr. HOPKINS. I thank the gentleman for his suggestion. I shall be pleased to. As you listen to these I am sure that the Members of this Congress from the Middle West will realize why the daily reports of the Census Bureau indicate relative decreases in population in the cities and towns of the Middle West.

In these illustrations I shall use wheat rates as the basis for comparisons.

From Morley, Alberta, Canada, to Quebec, a distance of 2,670 miles, the rate is 26 cents per hundred. From a point in Kansas, near St. Joseph and Kansas City, Mo., to Galveston, a distance of 800 miles, the rate is 45 cents per hundred. In other words, a Canadian farmer ships three times as far for the same rate.

From Port Arthur to Quebec, a distance of 1,372 miles, the Canadian farmer can ship at the rate of 18 cents per hundred, while it costs the Kansas and Nebraska farmer that much to ship 200 miles into St. Joseph or Kansas City.

It costs the Australian wheat grower 34 cents per bushel to ship his wheat to Liverpool, the world market; 26 cents for the Argentine farmer; but 41 cents for the Missouri, Kansas, and Nebraska farmer.

These variations in costs of shipping wheat to its market apply to all other products from the Missouri Valley. Alfalfa hay can be shipped from California through the Panama Canal to Gulf coast territory for \$2.50 to \$4.70 per ton less than it can be shipped from Missouri, Kansas, or Nebraska to the same point, although the distance is less. Alfalfa meal can be shipped from California to New York for 35 cents per hundred, but it costs 89 cents per hundred from St. Joseph and other points on the Missouri River to New York, less than half the distance.

Canned fruits and vegetables can be shipped from the Pacific coast to New York for 45 cents per hundred pounds, but from St. Joseph it costs 80 cents to ship the same products less than one-half the distance.

Mr. Erby, traffic manager of Deere & Co., manufacturers of farm machinery at Moline, Ill., testified before the Interstate and Foreign Commerce Committee as follows:

To ship agricultural implements from Moline, Ill., to the Pacific coast region, all rail, the cost is \$1.86 per hundred. If we ship by rail to the Atlantic ports, a thousand miles in the opposite direction to which the goods are finally destined, thence by water through the Panama Canal, the rate is approximately \$1.18 per hundred [more than 30 per cent less]. \* \* \* We feel that \* \* \* to help solve the situation \* \* \* the question of transportation is a vital one, and that we should use our water lines to the greatest possible extent.

In the light of these facts it is not hard to see why the Missouri Valley has been slower to recover the economic standing it had before the postwar slump than any other section of the United States.

Mr. MANLOVE. Will the gentleman yield there?

Mr. HOPKINS. I yield.

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Mr. MANLOVE. The gentleman is making a most enlightening address. Will the gentleman tell the Members of the House why the rates in our section of the United States are higher than those in other sections?

Mr. HOPKINS. I thank the gentleman for his suggestion, for in that answer is found the crux of the whole situation. First, let me say that our rates in the Middle West have not always been so high. Before the construction of the Panama Canal the rates from coast to coast were not so favorable, but when the canal was opened for use the cheap water rates that were put in effect forced the railroads to ask the Interstate Commerce Commission to allow them to "meet the competition." Hence, as is always the case, where cheap water transportation exists rates are lowered to meet the competition. This is what we now ask for the Middle West.

Very few realize how far this Government has gone in the development of inland waterways transportation in the Mississippi Valley. Only recently President Hoover officially opened the Ohio River for navigation as far east as Pittsburgh. Already barges are carrying their cargo over more than 2,000 miles in the Mississippi Valley from points on the Ohio and Mississippi Rivers to the Gulf. On the Ohio River alone we spent more than \$100,000,000. Manufacturing industries along these rivers, as well as the farmers living within this territory, are saving millions annually in transportation costs.

The upper Missouri Valley is the bread basket of the United States. The Pittsburgh and Ohio River industrial district is one of the greatest bread-consuming areas in our country. The upper Missouri Valley uses great quantities of the steel and other manufactured products from the Pittsburgh district. The steel and other manufacturing industries are spending millions of dollars building barges and towboats to carry their products to the West. Think what it would mean to the farmers of the Missouri Valley if barges loaded with steel and other manufactured products from points on the Ohio River were not required to stop and unload at Cairo or St. Louis, or possibly next year at Kansas City, but could proceed up the Missouri River to St. Joseph, Omaha, Sioux City, or Yankton, at a freight-carrying cost of one-fifth of the present rate; and think also what it would mean if these same fleets of barges could be loaded with grain and the other products of the Missouri Valley and returned to the industrial districts along the Ohio River with food for that great section at one-fifth the present rate.

In other words, these two great markets would be brought closer together, thereby providing a saving for both consumers and producers.

Millions of tons of coffee, lumber, sulphur, oil, gasoline, and other necessities that must be shipped into the Middle West from points beyond New Orleans could be carried to the Missouri Valley at a great saving over the rates now in effect. I can think of no other way that this Congress could give such effective relief to the farmers of this great landlocked area than to speed up the work on the Missouri River.

Forests are not abundant in Missouri, Iowa, Nebraska, and other States along the Missouri River. The people for their cooking, heating, and their industrial enterprises find it necessary to bring great quantities of fuel from the coal fields of Missouri, Illinois, Kentucky, and Pennsylvania. In many cases these mines are adjacent to the rivers. Think what it would mean to the farmers and manufacturers of this great region if this coal could be loaded into barges at the mines and transported by cheap water rates over the rivers and delivered to this great agricultural area of the Missouri Valley.

Another northbound freight of great importance to the farmers is that of cottonseed cake, produced by the cotton farmers of the South and used by the farmers of the Middle West to fatten their cattle. Think of the great saving to the stock feeders if this bulky commodity could be transported over the rivers at low rates.

The farmers of the Middle West have been greatly blessed with the abundant fertility of their soil, yet the time is rapidly approaching when there will be great need for fertilizers to be shipped in. They will need nitrates and sulphur for the manufacture of fertilizers, which at the present time come mainly from beyond New Orleans, although we hope that it will soon be coming in great quantities from Muscle Shoals on the Tennessee River. In any event, think what it would mean to the farmers of the great Missouri Valley if these fertilizers could be brought into this territory by means of cheap water transportation.

The prices of farm products are tremendously influenced by the selling price of the surplus in the world market, and prices for this surplus are greatly affected by the cost of transportation from the farm to the world market. The great handicap of the farmers of the Missouri Valley comes from the fact that



they are located a thousand miles inland, with the barriers of high rail rates to the coast, while their competitors in Australia, South America, Africa, and India are located near the seashore, where they get the benefits of a cheap water haul to the world market. The greatest assistance that could be given the American farmer would be to give him cheaper transportation from the farm to the seashore in order that he can meet his competitor on an equal basis.

There is no class of producers in the United States so thoroughly dependent upon the inland rivers as the farmer. The manufacturer can pull up stakes and move to the seashore, the Lakes, or the Gulf, but the farmer must stay on the farm and the farm must stay where the Lord placed it, far in the interior of our great country. He can not go where cheap water transportation exists, and if we are to help him we must bring cheap water transportation to him.

The United States is attempting nothing new in developing its inland rivers. The Missouri River was used for transportation purposes for many years in the early days. At one time there appeared before the Rivers and Harbors Committee, an old river captain who had piloted boats from Great Falls, Mont., to Pittsburgh. He said that the river in those days had a good channel all the way. Nature protected the banks by willows, trees, and driftwood so that the annual floods kept the channel open. When modern civilization came these natural dikes, retards, and revetments were cleared away and the river allowed to spread, its banks corrode, and its channel crossings fill up with sand bars. The United States engineers testify that engineering science can restore these rivers to a navigable state, and we are asking Congress to make it possible for the river that runs through the greatest purely agricultural section in the United States to be made usable as nature intended it for the use of the people who live there.

Let me repeat that the United States is undertaking no new scheme in the development of its inland waterways. For hundreds of years the nations of Europe have used their rivers to transport bulky and heavy freight. When Lloyd George visited this country some years ago, he made the following statement after having inspected the great Mississippi in the neighborhood of St. Louis:

The thing which impressed me most in this country is your utter extravagance and waste. You have resources and you do not use them. Here you are [referring to St. Louis, where he was visiting] located on the bank of the greatest river in the world, a river which flows 2,000 miles through the very heart of this country \* \* \* and through one of the most productive areas of the world. That river is capable of carrying your commerce at from one-third to one-fifth the best rate that the railroads can afford; and yet \* \* \* it is not utilized and has continued through all these years to flow idly by your door contributing nothing to the Nation's wealth.

I am pleased to say that since Lloyd George made that statement the United States has made tremendous strides forward in the development of its inland waterways.

And now I want to clear up one fallacy that is commonly associated with the development of inland waterways. It is believed by some and feared by others that the improvement of the rivers for transportation will mean a decline and curtailment of railroad operations in the Middle West. Nothing is farther from the truth. Both the railroads and rivers are necessary for the proper development of this great country. Railroads develop and prosper only when the country through which they run likewise develops and prospers. The railroad officials who have given much thought to this problem realize the dual part to be played by railroad and river, and rather than having placed stumbling blocks in the way have been enthusiastic boosters for improvement of our rivers.

Many of us here to-day will live to see the United States a Nation of over 150,000,000 people. If this Nation continues to grow at the present rate, the total amount of freight that can be handled by the rivers will not even equal one-half of the average annual increase in tonnage now handled by the railroads.

The railroads will always carry the perishable and fast-moving freight; likewise the railroads must carry the bulky and slow-moving freight to the river points. As far as the Middle West is concerned, river transportation, with its lowered rates, will no doubt bring increased business activity of such magnitude that the railroads of that section will have a heavier tonnage than at present.

To bring to the Middle West an "outlet to the sea" through the great and natural network of rivers in the Mississippi Valley and the Great Lakes and St. Lawrence waterway is the great economic necessity of the present age. Accomplishment of this great undertaking will bring a reconstruction of freight

rates that will materially benefit both agriculture and industry, including the railroads, by adding population and new industries.

Each day as the census reports are made public we have vividly called to our attention the results of 10 years of economic and commercial maladjustment of transportation costs in the Middle West. While the entire population of the country has undoubtedly increased nearly one-fifth since 1920, the cities and towns of the Middle West have barely held even. In only a few cases have proportionate increases been noted while many actual decreases have taken place. On the other hand, the facts are indisputable that the cities and towns on the Gulf coast and in other freight-rate-favored sections have experienced increases far beyond the average in the United States. Only one conclusion can be drawn—that is, the industries that otherwise might have located in the Middle West could not afford to do so due to transportation costs.

In closing I wish to quote from a recent article written by Governor Weaver, of Nebraska, a close student of the whole situation:

As long as it costs the Middle West from two to three times as much to ship to either coast as it does to ship from one to the other; as long as it costs the farmer of the Middle West from \$2.50 to \$4.70 more to deliver a ton of alfalfa hay to the Southwest and Gulf territory than it costs the California farmer; as long as the Missouri producer of condensed milk and milk powder pays more than two times as much as the California producer to ship to New York and eastern points; as long as the Missouri Valley farmer gets less for his wheat on the Liverpool market than the Canadian, the Australian, or the Argentine farmer, the great "bread basket" of the United States, the Missouri Valley, which produces nearly one-half of all the food and feed grains of America, and has the longest haul and the highest freight rates of any of its competitors, will not receive its fair share of our national growth or prosperity.

I sincerely urge the membership of this House to vote for the rivers and harbors bill providing a sufficient sum to make the Missouri River navigable at an early date. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Under the order of the House, the Chair recognizes the gentleman from Missouri [Mr. LOZIER] for 20 minutes.

#### THE PHILIPPINE ISLANDS

Mr. LOZIER. Mr. Speaker, supplementing my remarks of May 6, I now desire to examine some historical data and official records relating to our assumption of sovereignty over the Philippine Islands. I want to direct your attention to the thought that was uppermost in the minds of the American people at the time our plenipotentiaries negotiated the treaty of Paris which terminated the Spanish-American War. I fear many have forgotten the condition and circumstances under which the Philippine Archipelago passed under our flag. It is fitting that we turn back a few pages of rapidly written history, reread the record, and examine "the papers in the case," refresh our minds as to the purpose and intent of our Government and people when we assumed control over these islands.

As I stated in my former remarks, these islands are not the fruitage of any wars of conquest, territorial expansions, or national aggrandizement. Fate and the fortunes of war dropped them into our lap, and we took them because no other course was open to us consistent with our national dignity and honor, and because the interest of the inhabitants required that they be forever removed from the pitiless control of Spain.

Preliminary to what I shall say in the future in favor of withdrawing our flag from the Philippines, I want to call your attention to the attitude of our Government and the pronouncements by our Presidents and Congress in relation to the relinquishment of our sovereignty over the Philippines. From the day we declared war against Spain down to and including this good hour not one single word has been uttered by any President, Governor General, or other responsible Government official from which even a remote inference could be drawn that we had any intent and purpose of holding the Philippines permanently, or even for an indefinite period.

Nor has Congress taken any action or directly or indirectly expressed any intentions of denying complete independence to the inhabitants of the Philippines. On the contrary, in presidential messages, interviews, and statements, in congressional debates, acts, and resolutions, we have unequivocally declared our purpose to grant full and complete independence as soon as the inhabitants of the Philippines shall have established a stable government; and this sentiment has been reflected from pulpit and platform and by the press throughout our Nation. On this question there has been no substantial division of sentiment among the American people. To this record I now appeal in



support of my demand for the withdrawal of our flag from these far-away insular possessions.

#### CHRONOLOGY OF THE SPANISH-AMERICAN WAR

The *Maine* destroyed February 15, 1898.  
Declaration of war April 21, 1898.  
Dewey's victory at Manila Bay May 1, 1898.  
Guam and other Ladrone Islands captured June 21, 1898.  
Spanish fleet destroyed at Santiago July 3, 1898.  
El Caney and San Juan captured July 2, 1898.  
American Army entered Santiago, July 17, 1898.  
Peace protocol signed August 11, 1898.  
United States Army under General Merritt captured Manila August 13, 1898.

#### THE TREATY OF PARIS

Concluded at Paris December 10, 1898.  
Ratification advised by Senate February 6, 1899.  
Ratification exchange proclaimed April 11, 1899.  
In negotiating the treaty of Paris the United States was represented by the following plenipotentiaries: William R. Day, Cushman K. Davis, William P. Frye, George Gray, and White-law Reid.  
By this treaty: (a) Spain relinquished title to and sovereignty over Cuba and acknowledged its independence; (b) ceded to the United States the Philippine Archipelago, Porto Rico, and the island of Guam of the Marianas or Ladrone; (c) the United States paid Spain \$20,000,000.

Article 9 of the treaty of Paris contains the following provision:

The civil rights and political status of the native inhabitants of the territories hereby ceded to the United States shall be determined by the Congress.

Obviously the cession of these islands by Spain to the United States was in essence a quit-claim deed. It was a relinquishment of whatever title Spain had to the islands. It was not a transfer of the bodies and souls of the inhabitants. No 100 per cent American will contend that we bought and paid for the natives as we would buy and pay for a herd of cattle or a drove of sheep. Article 9 of the treaty recognized that the native inhabitants had rights which the United States guaranteed to respect. While this clause provides that the civil rights and political status of the inhabitants shall be determined by the Congress, it implies that Congress will equitably and justly and with reasonable expedition grant to the natives the same kind of civil rights and the same kind of political status we Americans enjoy, namely, the right and God-given privilege of self-government.

#### PRESIDENT MCKINLEY'S ATTITUDE

President McKinley was opposed in principle to the United States taking over the Philippines, but reluctantly consented when he saw that no other course was open to us. In his original instructions to the American peace commissioners who negotiated the treaty of Paris he suggested that the minimum demand of the United States would be to accept the island of Luzon. It was afterwards determined that it would be manifestly unfair to the native population to allow the other islands to remain under the sovereignty of Spain, and President McKinley informed the commission that the "cession must be of the whole archipelago or none and, as the latter is wholly inadmissible, the former must therefore be required." He further stated that he had reached this conclusion "mainly because of the interest of the Filipino people, for whose welfare we can not escape the responsibility."

In a subsequent message he stated:

The sentiment of the United States is almost universal that the people of the Philippines, whatever else is done, must be liberated from Spanish domination. In this sentiment the President fully concurred.

#### VIEWS OF THE PLENIPOTENTIARIES OF THE UNITED STATES

It may be of interest to state that the American delegates were not agreed as to the disposition that should be made of the Philippines. Mr. Day was willing to take all of the islands except Mindanao and Sulu and pay Spain \$15,000,000. Mr. Gray was exceedingly reluctant to take any of the islands under any condition, but yielded when he was convinced that there was no way to avoid taking them without a surrender of our national dignity and honor or without a sacrifice of the interest of the native inhabitants. Mr. Frye argued that all the islands should be ceded to the United States, but if Spain refused to do this he favored a compromise under which Spain would be paid \$5,000,000 and she was to keep Mindanao and the Visayas. Mr. Davis urged that we demand the entire archipelago and pay Spain nothing. Mr. Reid was of the opinion that we should demand the islands to reimburse us for the expenses that we made in the war, but as a compromise he was willing to allow Spain to retain Mindanao and Sulu, or, if Spain would cede

all the islands, he was willing for the United States to pay \$15,000,000.

The matter was finally compromised by Spain ceding the Philippines, Porto Rico, and Guam to the United States in return for a cash payment of \$20,000,000. Guam was the only one of the Ladrone Islands ceded by Spain to the United States. Subsequently Spain sold the other Ladrone Islands to Germany for \$4,875,000.

#### SUBSEQUENT ATTITUDE OF PRESIDENT MCKINLEY

On December 21, 1898, anticipating the ratification of the treaty of Paris, President McKinley instructed General Otis to issue a proclamation to the Filipinos assuring them—

That we come not as invaders or conquerors but as friends to protect the natives in their homes, in their employments, and in their personal and religious rights.

And, continuing, this proclamation stated:

Finally it should be the earnest and paramount aim of the military administration to win the confidence, respect, and affection of the inhabitants of the Philippines by assuring them in every possible way that full measure of individual rights and liberty which is the heritage of a free people.

"Full measure of individual rights and liberty which is the heritage of a free people" means self-government, if it means anything.

President McKinley recognized that we were taking these islands under a trust agreement, and in his message to Congress on December 5, 1899, he called attention to the fact that Spain had ceded the Philippine Archipelago to the United States; that we had paid Spain \$20,000,000 for the Philippines, Porto Rico, and Guam,

And that the civil rights and political status of the inhabitants of the territories thus ceded to the United States should be determined by Congress.

On another occasion President McKinley said:

The Philippines are ours, not to exploit, but to civilize, to educate, and to train in the science of self-government.

#### THE FIRST (SCHURMAN) PHILIPPINE COMMISSION

The first commission, appointed by President McKinley January 20, 1899, consisting of Dr. Jacob G. Schurman, Admiral Dewey, Gen. Elwell S. Otis, Charles Denby, and Dean C. Worcester, was largely an investigating committee. In his instructions to this committee, President McKinley, on January 20, 1899, expressed the wish that the Filipinos might receive the commission—

As bearers of the good will, the protections, and the richest blessings of a liberating rather than a conquering nation.

The commission reached the islands after the beginning of the Philippine insurrection, and on April 4, 1899, issued a proclamation in which the people of the Philippine Islands were solemnly assured that—

The aim and object of the American Government apart from the fulfillment of the solemn obligations it has assumed toward the family of nations by the acceptance of sovereignty over the Philippine Islands is the well-being, the prosperity, and the happiness of the Philippine people and their elevation and advancement to a position among the most civilized people of the world. Both in the establishment and maintenance of government in the Philippine Islands it will be the policy of the United States to consult the views and wishes and to secure the advice, cooperation, and aid of the Philippine people themselves.

I stop to inquire how we can elevate and advance the Philippine people to a position among the most civilized peoples of the world so long as we deny them independence and self-government, which are the privileges of "the most civilized peoples of the world." And it is a mockery to ask the advice, cooperation, and aid of the Philippine people if we refuse to heed their advice and to accept their cooperation.

By denying the inhabitants of the Philippines self-government, how can we promote—

Their elevation and advancement to a position among the most civilized peoples of the world?

The "most civilized peoples of the world" enjoy independence and self-government, and the Filipinos can not be advanced to this high position unless and until they are granted independence such as is enjoyed by the "most civilized peoples of the world."

In its report to President McKinley this commission, among other things, said:

Only through American occupation, therefore, is the idea of a free, self-governing, and united Philippine commonwealth at all conceivable.



In his instructions to the Taft Commission in April, 1900, President McKinley said the commission should—

Devote their attention, in the first instance, to the establishment of municipal governments, in which the natives of the islands, both in the cities and in the rural communities, shall be afforded the opportunity to manage their own local affairs to the fullest extent to which they are capable.

This does not indicate that President McKinley and his advisers considered the Filipinos savages and unfit to be intrusted, even at that time, with the management of their own local affairs. Thirty years, a generation, has passed since President McKinley recognized the capacity of the Filipinos for local self-government, and during that time the Filipinos have demonstrated their genius for self-government not only as to local but to national affairs as well.

How could there be a free, self-governing and united Philippine commonwealth if the United States Government intended to retain for all time sovereignty over these islands?

#### THE SECOND (TAFT) COMMISSION

In April, 1900, President McKinley appointed a second Philippine commission, generally known as the Taft Commission, with authority to continue the work of civil organization, and to gradually displace the military government by civil government by the native population. The membership of this commission was as follows:

William H. Taft, of Ohio, president of commission; Dean C. Worcester, of Michigan; and Henry Clay Ide, of Vermont.

This commission arrived at Manila, June 3, 1900. On September 1, 1900, the commission, under its instructions, became a legislative body with authority to appoint officers.

While the islands were still under military rule, local governments were set up in the various municipalities, and elections were held as rapidly as the cities and Provinces were freed from insurgent control. In every instance the officers elected were Filipinos. Even in the beginning of our rule in the Philippines we recognized the Filipinos as capable of voting and controlling their own domestic affairs, and now, after 30 years, during which the Filipinos have largely managed their own affairs, some of our timid people are still apprehensive as to the capacity of the Filipinos for self-government.

William H. Taft became Governor General July 4, 1901. The commission, of which he was president, became a legislative body. The members of the commission who became secretaries of the various departments were:

Dean C. Worcester, secretary of the interior; Henry Clay Ide, secretary of finance and justice; Luke E. Wright, secretary of commerce; and Bernard Moses, secretary of education.

Afterwards three Filipinos were added to the commission: Trinidad H. Pardo de Tavera, Bento Legarda, and Jose R. de Luzuraga.

On July 1, 1902, Congress passed an act establishing civil government in the Philippines and providing for summoning a legislative assembly in two years if general peace prevailed. This commission form of government was continued until October 16, 1907, when the commission became the "upper house" of the Philippine Legislature, supported by an elective Filipino assembly, known as the "lower house."

#### GOVERNOR GENERALS OF THE PHILIPPINES

Since we took over these islands, following the end of our rule by military forces, there have been nine Governor Generals of the Philippines, namely:

William H. Taft, of Ohio, who became Governor General July 4, 1901, and served until February, 1904.

Luke E. Wright, of Tennessee, who became Governor General in February, 1904, and served until April, 1906.

Henry Clay Ide, of Vermont, who became Governor General April 12, 1906, and served until September 20, 1906.

Gen. James F. Smith, of California, who became Governor General September 20, 1906, and continued in office until May, 1909.

W. Cameron Forbes, of Massachusetts, who served from May, 1909, to October, 1913.

Francis Burton Harrison, of New York, who served from 1913 to 1920.

Gen. Leonard Wood, of Pennsylvania, who served from October 5, 1921, to the date of his death, August 7, 1927.

Henry L. Stimson, of New York, who was Governor General in 1927 to 1929.

Dwight F. Davis, of Missouri, who was appointed May 28, 1929, and who is still in office.

In answer to the claim that the inhabitants of the Philippines are incapable of self-government, I call your attention to the fact that for many years the government of these islands

has been almost exclusively in the hands of the natives. They have administered their domestic affairs, ably, efficiently, and honestly, and have demonstrated remarkable administrative capacity. While the Governor General and our Congress have power to veto the acts of the Philippine legislature, that power has not been exercised very often, and to all intents and purposes the domestic affairs have been very largely under the control of the native inhabitants. I am submitting herewith a statement in reference to—

#### THE PRESENT GOVERNMENT OF THE PHILIPPINE ISLANDS

(a) Dwight F. Davis, American, Governor General, appointed by the President.

(b) Cabinet, or executive heads, all of the six are Filipinos, except the secretary of public instruction.

(c) All the 24 members of the Philippine Senate are Filipinos, 22 are elected by popular vote and the other 2, representing mountain tribes and undeveloped regions, are appointed by the Governor General.

(d) The 91 members of the Philippine House are all Filipinos, all elected by popular vote except 9, who are appointed by the Governor General to represent the mountain tribes and undeveloped regions.

(e) All the cities and towns have self-government in local affairs and all of their officials are Filipinos chosen by the qualified voters. Local government has been established in 893 municipalities and in 296 municipal districts. The municipal officers are elected for three years and consist of president, vice president, treasurer, secretary, and councillors, the latter varying according to population.

(f) The attorney general is a Filipino.

(g) The chief justice, appointed by the President of the United States, is a Filipino; four of the nine justices of the supreme court are Filipinos; all the judges of the courts of first instance are Filipinos, except two; the lower judicial officers are all Filipinos.

(h) All the prosecuting attorneys throughout the islands are Filipinos.

(i) The personnel of the bureaus of civil service, treasury, and commerce and industry is entirely Filipino.

(j) The bureau of customs and the bureau of posts are more than 99½ per cent Filipino.

(k) Of the public officials in the Philippines, 98½ per cent are Filipinos and only 1½ per cent American.

(l) In December, 1927, of the 19,649 persons connected with the Philippine government, 19,165 were Filipino and only 484 American.

(m) The advisory council of state (abolished by Governor General Wood and reestablished by Governor General Stimson) consists of 11 members, 9 of whom are Filipinos and 2 Americans. This council of state consists of the Governor General, president of the senate, speaker of the house, majority floor leader of the house, and the heads of the six executive departments.

(n) The Philippine Legislature, composed entirely of Filipinos, possesses powers which no legislature in the United States possesses.

(o) The Philippine government maintains a native constabulary which in 1927 consisted of approximately 400 officers and 6,000 enlisted men, occupying 162 stations, strategically placed for the preservation of law and order and loyalty and obedience to sovereign authority.

(p) Of the public-school teachers in the Philippines, 25,206 are Filipinos and only 294 Americans.

(q) In 1903, 49 per cent of the persons in the government service were Filipinos; in 1912, 71 per cent; in 1914, 79 per cent; in 1919, 94 per cent; in 1926, 98 per cent; in 1929, 98½ per cent.

#### PRESIDENT ROOSEVELT'S ATTITUDE

On December 3, 1901, in his first message to Congress, President Roosevelt, in discussing the Philippine problem, said:

We hope to do for them what has never before been done for any people of the Tropics—to make them fit for self-government after the fashion of the really free nations.

President Roosevelt, in 1908, in his message to Congress, said:

I trust that within a generation the time will arrive when the Filipinos can decide for themselves whether it is well for them to become independent or continue under the protection of a strong and disinterested power, able to guarantee to the islands order at home and protection from foreign invasion.

Ex-President Roosevelt, in his autobiography, said:

As regards the Philippines, my belief was that we should train them for self-government as rapidly as possible and leave them free to decide their own fate.



While President Roosevelt in the early years of our Philippine adventure did not believe in setting a time limit within which we would give independence to the Philippines, he, nevertheless, favored such action without unreasonable delay and as soon as the inhabitants had demonstrated their capacity for self-rule. He recognized that our stay in the Philippines was only temporary, and it was foreign to his thought that we should retain sovereignty over these islands permanently, or even indefinitely. His great spirit rebelled at the thought that we should hold these islands longer than was reasonably necessary to train the inhabitants to efficiently manage their own affairs. I quote again from Mr. Roosevelt's autobiography:

I do not believe that America has any special beneficial interest in retaining the Philippines. Our work there has benefited us only as any efficiently done work performed for the benefit of others does incidentally help the character of those who do it. The people of the islands have never developed so rapidly, from every standpoint, as during the years of the American occupation. The time will come when it will be wise to take their own judgment as to whether they wish to continue their association with America or not.

As to our relations to the Philippines after the withdrawal of our sovereignty, Mr. Roosevelt, in his autobiography, said:

There is, however, one consideration upon which we should insist. Either we should retain complete control of the islands, or absolve ourselves from all responsibility for them. Any half-and-half course would be both foolish and disastrous. We are governing and have been governing the islands in the interests of the Filipinos themselves. If after due time the Filipinos themselves decide that they do not wish to be thus governed, then I trust that we will leave; but when we do leave it must be distinctly understood that we retain no protectorate—and above all that we take part in no joint protectorate—over the islands, and give them no guaranty, of neutrality or otherwise; that, in short, we are absolutely quit of responsibility for them, of every kind and description.

I am reserving for discussion at a future date the question as to whether the United States, alone, or in conjunction with other nations, should guarantee the political and territorial integrity of the Philippines.

#### PRESIDENT TAFT'S ATTITUDE

Mr. Taft, in 1903, while Civil Governor of the Philippines, gave expression to this sentiment: From the beginning to the end, the state papers which were circulated in these islands as authoritative expressions of the Executive, had for their motto that "the Philippines are for the Filipinos" and that the Government of the United States is here for the purpose of preserving the Philippines for the Filipinos for their benefit, for their elevation, and for their civilization, again and again appears.

In April, 1904, in an address in which he discussed the Philippine Islands, Mr. Taft said:

When they [the Filipinos] have learned the principles of successful popular self-government from a gradually enlarged experience therein, we can discuss the question whether independence is what they deserve and grant it, or whether they prefer the retention of a closer association with the country which, by its guidance, has unselfishly led them to better conditions.

In 1907 Mr. Taft said:

The policy looks to the improvement of the people, both industrially and in self-government capacity. As the policy of extending control continues, it must logically reduce and finally end the sovereignty of the United States in the islands unless it shall be deemed wise to the American and Filipino peoples on account of mutually beneficial trade relations and possible advantages to the islands in their foreign relations that the bond shall not be completely severed.

In a report made in January, 1908, to President Roosevelt, Mr. Taft, in discussing the question of the qualifications of the Filipinos for self-government, said:

The standard set, of course, is not that of perfection, or such a government capacity as that of an Anglo-Saxon people, but it certainly ought to be one of such political capacity that complete independence in its exercise will result in progress rather than in retrogression to chaos or tyranny.

In the same report Mr. Taft said that independence should be granted the Filipinos after the masses are given education sufficient to know their civil rights and maintain them against a more powerful class and safely to exercise the political franchise. The efficient administration of their own domestic affairs for a generation has demonstrated the present and future capability of the Filipinos for stable self-governing.

In the 22 years that have elapsed since Mr. Taft's report was submitted the Filipinos have built up a country-wide and efficient public-school system, in which there are more than a million

pupils, and which is very rapidly reducing illiteracy throughout the islands. When Mr. Taft was hesitating as to their capacity for self-government they were just beginning to be entrusted with the management of their own domestic affairs, but since that time they have taken over about 99 per cent of the government activities, and by efficient administration have indisputably established the fact that they have progressed to the point where they can measure up to the standard presented by Mr. Taft in 1908 and thereafter.

Moreover, Mr. Taft originated the slogan, "The Philippines for the Filipinos," and in justice to his memory and outstanding character and preeminence I want to say that Mr. Taft has not in recent years made any public statement in opposition to early Philippine independence, and the marvelous progress made by the Filipinos in recent years must have convinced Mr. Taft that they were now able to measure up to the standard set by him in 1908.

President Taft, in his message to Congress in December, 1912, said:

We would \* \* \* endeavor to secure for the Filipinos economic independence and to fit them for complete self-government, with the power to decide eventually, according to their own largest good, whether such self-government shall be accompanied by independence.

#### PRESIDENT WILSON'S ATTITUDE

Governor General Harrison in 1913, in delivering a message from President Wilson, said:

Every step we take will be taken with a view to the ultimate independence of the islands and as a preparation for this independence.

Assuming the time had come for independence, President Wilson gave the Filipinos a majority of the commissioners.

On October 6, 1913, President Wilson said:

We regard ourselves as trustees, not for the advantage of the United States, but for the benefit of the people of the Philippine Islands. Every step we take will be taken with a view to ultimate independence of the islands and as a preparation for that independence.

In his message to Congress in December, 1913, in discussing the Philippine problem, President Wilson said:

By their counsel and experience, rather than by our own, we shall learn how best to serve them and how soon it will be possible and wise to withdraw our supervision.

In April, 1918, a Filipino delegation called at the White House and made an appeal for Philippine independence. On that occasion President Wilson said:

The time is ripe for granting Philippine independence.

In November, 1918, the Philippine Legislature created a "commission of independence" for the purpose of consummating the independence of the Philippines. In May, 1919, a commission of 40 Filipinos, representing the Philippine Legislature and the commercial, industrial, agricultural, and labor interests of the islands, visited the United States with a view of promoting the independence of the Philippine Islands. When this mission reached Washington President Wilson was in Paris attending the peace conference, but he requested Secretary of War Baker to represent him and to read a letter in which the President expressed his sympathy and good will toward the inhabitants of the Philippines, and from this letter I quote the following:

I am sorry that I can not look into the faces of the gentlemen of this mission from the Philippine Islands and tell them all that I have in mind and heart, as I think of the past labor, with the end almost in sight, undertaken by the American and Filipino people for their permanent benefit. I know, however, that your sentiments are mine in this regard and that you will translate truly to them my own feelings.

In other words, President Wilson states in this letter that he and Secretary Baker held the same views in reference to the Philippine problem, and the President specifically authorized his Secretary of War to communicate the President's views to the commission. With this authority, and with full knowledge of the views and purposes of President Wilson, Secretary Baker said to this commission:

I know that I express the feelings of the President—I certainly express my own feelings; I think I express the prevailing feeling in the United States—when I say that we believe the time has substantially come, if not quite come, when the Philippine Islands can be allowed to sever the more formal political tie remaining and become an independent people.

Because of the absence of President Wilson and the unsettled conditions growing out of the World War, the administration and Congress did not act upon the petition of the Filipinos for self-government, although the sentiment at that time was overwhelmingly in favor of granting independence to the Philippines.



President Wilson on December 7, 1920, in his eighth annual message said:

Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf, and have thus fulfilled the condition set by Congress as precedent to a consideration of granting independence to the islands. I respectfully submit that this condition precedent having been fulfilled it is now our liberty and our duty to keep our promise to the people of those islands by granting them the independence which they so honorably covet.

#### PRESIDENT HARDING'S ATTITUDE

In June, 1922, a second Philippine mission presented a memorial to President Harding, urging the United States to relinquish sovereignty over the Philippines. President Harding, while not ready to recommend our withdrawal from the Philippines, assured the commission that there would be no backward step taken during his administration, and that the autonomy then enjoyed by the Filipinos would remain unimpaired.

#### PRESIDENT COOLIDGE'S ATTITUDE

It is well known that President Coolidge was not in sympathy with the movement to relinquish our control of the Philippines. His administration was essentially sordid, selfish, and materialistic. He was so intensely interested in promoting the welfare of big business and the special-privilege classes that seemingly he had no time to consider such unimportant matters as granting to 12,000,000 men and women across the seas the natural, inherent, and God-given privilege of self-government. I quote from one of his messages:

Filipinos have the rights and privileges of American citizens without the obligations. They pay no Federal taxes, are exempt from the exclusive provisions of our immigration laws, do not pay for the defense or diplomatic service. They are represented in the United States by their own chosen representatives, who are paid by the United States; in the islands, the officials of the fully organized provinces. In the central government the legislature is made up entirely of Filipinos and possesses powers which no legislature has in this country. The lower judicial officers are all Filipinos.

It is unreasonable to expect 12,000,000 men and women to relinquish their inherent rights of self-determination for the poor privilege of paying no taxes for the support of our Government, or from being exempted from certain immigration laws and a few other privileges which are insignificant when compared with the right of self-government. True, as President Coolidge says, the Filipinos are privileged to send two commissioners to speak for them in the Congress of the United States, but these commissioners are allowed to vote on no question, no matter how much it may affect the interest and welfare of the people of the Philippine Islands. The people of the Philippines have at all times sent able commissioners to represent them in the Congress of the United States—men of experience, who were qualified to speak with authority on Philippine problems. The present commissioners, Hon. PEDRO GUEVARA and Hon. CAMILO OSIAS, are men of outstanding ability, energy, and vision. They enjoy the respect and confidence of their colleagues, and are tireless and aggressive in their efforts to promote the success of the movement for Philippine independence.

Does President Coolidge and those who stand with him on the Philippine problem imagine for one moment that the thirteen American Colonies would have been content to remain dependencies of England if permitted to send a few delegates to the English Parliament or been exempted from taxes for the support of the British Empire? The right of self-government is too important and too valuable to be bartered away for a mess of pottage.

#### GENERAL MACARTHUR'S CHANGE OF ATTITUDE

Shortly after the first (Schurman) commission was appointed in 1900, General MacArthur contemptuously said that what the Filipinos needed was "military government pinned to their backs for 10 years with bayonets." But contact with the Filipinos quickly worked a change in his opinions, and within a year he approved the establishment of civil provincial governments, under Filipino officers elected by the Filipino voters.

#### ACTIONS INTERPRET INTENTIONS

Our actions toward the Filipinos unmistakably interpret our thoughts and purposes in reference to keeping our covenants with our insular wards. Not what we say, but what we do, reflects our real attitude. Downright practice speaks more convincingly than a multitude of eloquent professions. Some of you may be content to consider Philippine independence as something that lies in the dim and distant future. But I see it as an issue that confronts us now, and eloquently pleads for immediate and sympathetic consideration. It is a present duty

with which we stand face to face, and further procrastination can lead only to dire and embarrassing consequences.

#### THE JONES ACT

But if there had been any division of opinion in the United States as to what we should do with the Philippine Islands, all doubt was removed on August 29, 1916, when the President of the United States approved what is known as the Jones bill, which was enacted by both Houses of Congress and is now the supreme law of the land. This measure is referred to and cited as the organic act establishing a system of civil government in the Philippines, very largely under the control of the inhabitants of those islands.

To all intents and purposes this act is the organic law or constitution upon which rests the government of the Philippine Islands. It is no mean or ordinary document. It contains a bill of rights, and confers upon the people of the Philippines a republican form of government. It creates the Philippine Legislature, consisting of a senate and house of representatives, in which bodies is vested the powers of enacting legislation for the government of those islands and their people, subject to a veto power vested in the Governor General, and in certain cases in the President of the United States.

The preamble of the Jones Act is as follows:

Whereas it was never the intention of the people of the United States in the incipency of the war with Spain to make it a war of conquest or for territorial aggrandizement; and

Whereas it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and

Whereas for the speedy accomplishment of such purpose it is desirable to place in the hands of the people of the Philippines as large a control of their domestic affairs as can be given them without, in the meantime, impairing the exercise of the rights of sovereignty by the people of the United States in order that, by the use and exercise of popular franchise and governmental powers, they may be better prepared to fully assume the responsibility and enjoy all the privileges of complete independence: Therefore, etc., etc.

By the foregoing preamble and act the American people definitely settled for all time our policy toward the Philippines. As the inhabitants have established and maintained a stable government and have wisely administered their domestic affairs for a generation, there is absolutely no justification for further exercise of our sovereignty over the Philippines, and we should keep faith and grant immediate and unconditional independence to our insular wards.

In subsequent addresses it is my purpose to discuss other phases of the Philippine problem in the hope that I may thereby quicken the public conscience and make some little contribution to a just settlement of this exceedingly important issue.

Mr. DYER. Will the gentleman yield?

Mr. LOZIER. I yield to the gentleman from Missouri.

Mr. DYER. My colleague is making an unanswerable argument, in my judgment, in favor of the independence of the Filipino people. I wonder if the gentleman could tell us when, in his judgment, the House of Representatives will have a chance to express itself upon this question. We have been waiting now many years. We have been doing what we thought necessary in helping the Filipino people to organize and maintain a stable government, and I believe they have now established and are able to maintain such a government; but we in the House of Representatives have had no opportunity to vote upon this question, although I believe a majority, and a large majority, of the Members would be in favor of such a proposition if they had a chance to vote on it. I thought my colleague might be able to tell us when we will probably get this opportunity.

Mr. LOZIER. Answering the distinguished gentleman from Missouri, I will say that I see no prospect for a vote on this question during the present session of Congress. Seemingly the powers that be are determined to postpone action as long as possible. One great objection to our system of congressional government, or, to speak more accurately, one of the greatest abuses of our legislative system, is the strangling of meritorious legislation by inaction and delay. I am sorry the leaders of the party in control of the House, Senate, and White House have not given us an opportunity to vote on the question of withdrawing our sovereignty from the Philippines.

However, I am glad to say that my colleague from Missouri [Mr. DYER], though an orthodox Republican, is nevertheless not responsible for this legislative impasse or inaction, as he is an aggressive and consistent advocate of Philippine independence, and has ably and earnestly urged action.

May I say in this connection that revolutions never go backward, though they some time move slowly and with laggard



steps. Probably no nation has ever attained the boon of self-government until long after it was entitled to it. The American people are not to blame for our failure to keep faith with the Philippines, but that responsibility rests on the Congress and the Presidents who have failed and refused to effectuate the public will, and to carry out, in letter and spirit, the solemn legislative declaration embodied in the Jones Act of August 29, 1916.

Undeniably an overwhelming majority of the American people favor an early and unconditional relinquishment of our authority over the Philippines and their inhabitants. I am convinced that this sentiment is so pronounced that it will soon be reflected in legislative action. Our relations with our insular wards do not involve partisan issues. It seems to me that Democrats and Republicans, without regard to party affiliations, should unite in compelling action in favor of our relinquishment of these far-away possessions, which by the fortunes of war were left on our front doorstep. With confidence I indulge the hope that my colleague from Missouri [Mr. DYER] will use his great and well-merited influence with his party leaders to get an arrangement of the calendar or a special rule for the consideration at next session of a bill to grant complete and immediate independence to the Philippines.

Mr. RANKIN. Will the gentleman yield?

Mr. LOZIER. I yield to the gentleman from Mississippi.

Mr. RANKIN. In enumerating the advantages enjoyed by the most enlightened nations of the world, to which the commission referred, I think the gentleman overlooked, perhaps, one of the most important blessings which the most enlightened nations of the world enjoy over the Philippines, and that is freedom from foreign exploitation. Were it not for that element in America that is to-day exploiting the Philippine Islands, exploiting the Filipino people, and exploiting the Philippine resources for their own private gain, we would have no trouble in passing a resolution in this House and in the Senate giving the Filipinos their absolute independence within the next 30 days.

Mr. LOZIER. I am in agreement with my friend from Mississippi. Undoubtedly the big business interests are using their influence to prolong our stay in the Philippines. Certain commercial groups interested in Philippine trade, and engaged in exploitations of the Philippine people and their rich natural resources, are leaving nothing undone that can be done to belittle the intelligence of the Philippine people, to prejudice their cause, and discredit their demands for independence. If Philippine independence is achieved, it will be over the protest and in spite of the power and influence of certain business interests that place self above principal, and who are determined to keep our flag in the Philippines because of the profits they are making or hope to make in Philippine trade.

There are several kinds of slavery: Personal slavery, or bodily servitude, which lays its spell on the physical and mental energies of the people and limits their right to eat, in the sweat of their face, the bread bought by their brawn. Then there is a political slavery, a denial of the right of self-government, a refusal to permit participation in the enactment and administration of laws under which a person lives. And then there is economic slavery, which unjustly denies an individual the rewards of his labor and an equal opportunity in the race for gain. We are not imposing personal or bodily slavery on the inhabitants of the Philippines, but we are fastening on them a species of political and economic vassalage at the behests of the business and financial interests engaged in trade and commerce in these islands.

In the pre-Revolutionary period Great Britain was perfectly willing to give the American colonists bodily or personal freedom, but arrogantly denied them political and economic freedom. President Coolidge in a message called attention to the fact that the Filipino people pay no taxes into the Treasury of the United States; that they do not contribute any revenues to meet the obligations of our Federal Government; that they pay no part of the expense incident to the maintenance of our Diplomatic and Consular Service. There is no reason why the Filipinos should bear any part of the cost of carrying on our governmental activities. They have been given no part in the enactment and administration of our laws; they have no vote in our congressional or presidential elections; their commissioners have no vote in Congress, even on legislation that vitally affects their interest and destinies. The inhabitants of the Philippines are taxed to maintain their own insular government. They have burdens and responsibilities as citizens of the Philippines which they are meeting bravely, wisely, and efficiently. By exempting them from payment of Federal taxes they are not obligated to sell their national birthright for a mess of pottage or smother their aspirations for self-government.

Mr. RANKIN. Had it not been for Great Britain's infringement of the economic rights of the American colonists the

chances are that there would have been no revolution. Does the gentleman agree with that statement? In other words, taxation without representation created very much more resentment in the minds of the American people than the fact that Great Britain appointed the various governors of the colonies.

Mr. LOZIER. Apropos of the gentleman's remarks, I will say that my colleague from Mississippi has read history understandingly. The American colonists enjoyed absolute exemption from personal, individual, or bodily slavery, but they were subjected to a contemptible species of political and economic servitude. They were the victims of an unconscionable system of taxation and were denied representation in the English Parliament and a voice in the enactment and administration of the laws under which they were compelled to live. Exempt from bodily servitude, they were drifting rapidly to a condition of political and economic vassalage.

In a subsequent address on the Philippine problem, in answering the charge that the inhabitants of the Philippine Islands are not capable of self-government, I propose to quote statements made in debates in the English Parliament preceding and during the Revolutionary War, in which members of the House of Commons and House of Lords ridiculed the American people, spoke disparagingly of their intelligence, and haughtily declared that they were absolutely incapable of self-government. Unblushingly English dukes, earls, viscounts, marquises, barons, knights, gentry, and commons declared not only that the inhabitants of the thirteen American Colonies were incapable of self-government but that only a few scheming politicians in the Colonies wanted independence and that the great mass of people were content to pay taxes to the British Government, although denied representation. I will show that the English Government made the same argument against granting the thirteen Colonies representation or self-government that those opposed to Philippine independence are now making against granting autonomy to the Philippines.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. LOZIER. I yield.

The SPEAKER pro tempore (Mr. SHREVE). The time of the gentleman from Missouri has expired.

Mr. O'CONNOR of New York. I ask that the gentleman have one minute more.

The SPEAKER pro tempore. Without objection, it is so ordered.

Mr. O'CONNOR of New York. The gentleman has referred to certain special interests being opposed to the freedom of the Filipinos because they are exploiting the Philippine people and industry. On Saturday we are going to pass a tariff bill, and is it not a fact that the same identical interests are going to exploit our own people, the American people, for their own selfish gains?

Mr. LOZIER. My colleague from New York is absolutely correct in his statement. The special interests have had much to do with the writing of the Hawley-Smoot tariff bill, especially those interested in trade and commerce in the Philippines. This tariff bill would have been very different if the Philippines were not under our flag and sovereignty. Undoubtedly the major portion of the opposition to Philippine independence is based on mercenary, financial, or economic reasons, and comes from those special interests that profit and hope to continue to profit by exploiting the rich resources of these islands, which exploitation will end when the people of the Philippines come into the enjoyment of their God-given rights, the chief of which is independence and self-government. [Applause.]

#### VETERANS' RELIEF BILL ANALYZED

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the veterans' bill and to incorporate in the RECORD a digest of that bill made by the Veterans' Bureau to-day.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SNELL. Is that something new or has it been printed before?

Mr. RANKIN. It never has been printed before.

Mr. PERKINS. Is it a digest of the bill as reported by the other body?

Mr. RANKIN. As reported by the Finance Committee; yes.

Mr. HASTINGS. I think that will be very helpful.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, on yesterday the veterans' bill (H. R. 10381) was reported to the Senate from the Committee on Finance, with certain changes which greatly improved the



measure, since it eliminated practically all of the objectionable amendments adopted by the House.

As the bill now stands, its chief provision is that of the original Rankin bill (H. R. 7825) to extend the presumptive period for tuberculosis and other chronic constitutional diseases and analogous diseases to January 1, 1930. It also increases the compensation for amputation cases \$25 a month, repeals sections 206 and 209 of the World War veterans' act of 1924, which limited the time in which a veteran could file his claim or make his proof, modifies the rigorous provisions of the law relative to misconduct cases, and provides for compensating the dependents of disabled veterans in hospitals who are themselves drawing no compensation, as well as providing a small monthly allowance for veterans in hospitals who are not otherwise compensated and who have no dependents. It also makes many other desirable changes in the present law.

The bill now before the Senate is a splendid measure and meets with the approval of both the Disabled American Veterans of the World War and the American Legion. They are appealing to the Senate to pass the bill without amendments and urging Members of the House to accept it without sending it to conference in order that its passage may not be endangered by further delay. They are also asking that we hold the Congress in session until it finally becomes a law.

In order that Members may know exactly what the effects of its various provisions will be, I am inserting in my remarks the following statement prepared by Mr. J. O'C. Roberts in the Veterans' Bureau, in which he carefully analyzes every section and every provision of the bill:

MEMORANDUM OF EXPLANATION OF H. R. 10381 AS IT WAS REPORTED BY THE SENATE FINANCE COMMITTEE

There is herewith transmitted an explanation of the provisions of H. R. 10381, as amended and reported by the Finance Committee of the United States Senate:

Section 1 of the bill amends section 5 of the act by directing that regulations relative to evidence provide that due regard be given to lay and other evidence not of a medical nature, in connection with the adjudication of claims.

Section 1 of the bill also amends section 5 of the act by providing that where service connection has been found by the bureau to exist in the case of any injury or disease or any aggravation or recurrence of a disability, and such finding has continued in effect for a period of five years, the finding shall be final except in cases of fraud participated in by the claimant, the period of limitation to run from the date of such finding irrespective of whether the period began prior to the passage of the amendatory act.

Section 2 of the bill amends section 10 of the act by authorizing the director to secure recreational facilities, supplies, and equipment for patients generally and for employees at isolated stations.

Section 3 of the bill amends section 16 of the act and authorizes the refund of premiums paid beyond the date of maturity on war-risk term insurance.

Section 4 of the bill amends section 19 of the act by authorizing the courts as part of the judgment to direct the refund of premiums.

Section 4 of the bill also amends section 19 of the act, which relates to the filing of suits on insurance contracts by extending the time during which suits may be instituted one year from the date of the approval of the amendatory act.

Section 4 of the bill also amends section 19 of the act in the following respects:

Authorizes that subpoenas be issued for witnesses who live at a greater distance than 100 miles from the place where the suit is to be tried; authorizes the payment of regular travel and subsistence allowance to attorneys assigned to assist in the trial of suits and to regular employees of the bureau when ordered by the director to appear as witnesses; permits the director to order part-time and fee-basis employees of the bureau to appear as witnesses in suits and to pay them a fee in an amount not to exceed \$20 per day; authorizes official leave for employees who are subpoenaed to attend trials as witnesses for veteran plaintiffs; and defines the term "claim" and the term "disagreement," which are technical terms used in the statute, to fix the time during which the limitation period for bringing suits is suspended.

Section 5 of the bill amends section 21 of the act by authorizing the director to pay compensation to the person having custody and control of an incompetent or minor beneficiary during the time compensation payments to a legally appointed guardian are suspended or withheld because of the misconduct of the guardian, and authorizes the continuance of a fund which the bureau is administering for the benefit of certain incompetent beneficiaries.

Section 5 of the bill also amends section 21 of the act to provide for an escheat to the United States of funds of a minor or incompetent beneficiary in the hands of the Government or a guardian at the time of death of such minor or incompetent, when such funds are made up of payments from the bureau and escheat would otherwise result in favor of the State of residence of the minor or incompetent.

Section 6 of the bill amends section 28 of the act, as amended, to make it effective June 7, 1924. This section authorizes the director to waive recovery of overpayments under certain circumstances. The disallowances standing against disbursing officers which will be affected by this amendment are approximately \$218,500.

Section 7 of the bill amends section 30 of the World War veterans' act, as amended, by providing that the director, subject to such regulations as he may prescribe, may permit the representatives of service organizations named in section 500 of the World War veterans' act to inspect bureau records in their capacity as representatives of the claimant.

Section 8 of the bill adds a new provision to the act whereby checks issued to beneficiaries which are undelivered shall be retained in the bureau for three full fiscal years, rather than forwarded to the General Accounting Office after three months as is now the practice under regulations of the General Accounting Office.

Section 9 of the bill adds a new provision to the act directing the Secretary of War to assemble in the city of Washington all medical and service records pertaining to veterans of the World War.

Section 10 of the bill amends section 200 of the act by providing that no person suffering from a venereal disease contracted not later than the date of his discharge or resignation from the service during the World War, including any disability or disease resulting at any time therefrom shall be denied compensation by reason of willful misconduct.

Section 10 of the bill also amends section 200 of the act by changing the phraseology of the first sentence following the misconduct provision to clarify the meaning of the remainder of the section to show clearly that the benefits of the presumption of service origin contained in the bill are for compensation purposes and may not be invoked on suits on insurance brought pursuant to section 19.

Section 10 of the bill also amends section 200 of the act with respect to the presumption provisions by changing the date January 1, 1925, to January 1, 1930, and adding to the diseases now included in the statute constitutional diseases or diseases analogous thereto, particularly, all diseases enumerated on page 75 of the Schedule of Disability Ratings of the United States Veterans' Bureau, 1925, and leprosy. Payments made by reason of the new presumptions contained in the act are not to be retroactive and are limited to a period of not more than three years after the approval of same. This section, as amended, also contains a proviso that it shall not be construed to apply to an ex-service man who enlisted or entered the military or naval service subsequent to November 11, 1918.

Section 11 of the bill amends section 201 of the act by providing that if there is a dependent father and mother the amount paid them shall in no case be less than \$20 per month. Under existing law dependent parents can not receive in excess of the difference between the total amount payable to a widow and children and the sum of \$75.

Section 11 of the bill also amends section 201 of the act by changing the date of determination of dependency as of the anniversary date of the original award. This amendment has for its purpose the facilitation of the administration of this provision of the law.

Section 11 of the bill also amends section 201 of the act by providing for the payment of burial and funeral expenses, and transportation of the body to the home, for those veterans who die in national military homes. At the present time these expenses are paid when a veteran dies in a Veterans' Bureau hospital. This section also amends the law by authorizing the furnishing of a flag to drape the casket of any veteran of any war regardless of the cause of death.

Section 12 of the bill amends subdivision (3) of section 202 of the act by providing additional compensation of \$25 per month, independent of any other compensation which may be payable, to persons who suffered the loss of the use of a creative organ or one foot or one hand or both feet or both hands in the active service in line of duty between April 6, 1917, and November 11, 1918, with a proviso that if such disability occurred while the veteran was serving with the United States military forces in Russia the dates therein stated shall extend from April 6, 1917, to April 1, 1920. This amendment is a recognition of disabilities incurred during actual hostilities as a preferred class.

Section 12 of the bill also amends subdivision (5) of section 202 of the act by removing the necessity for showing the "constant" need of a nurse or attendant where claim for nurse or attendant allowance is made.

Section 13 of the bill amends subdivision (7) of section 202 of the act so as to discontinue payments in all cases of hospitalized insane veterans who have no dependents where their estates equal or exceed \$3,000. It is the intent of this subdivision to prevent the building of large estates which are of no use to the veteran because of his incompetency and result in passing to third persons after his death and who had no interest in him during his lifetime.

Section 13 of the bill also contains an amendment directing that a minimum rating of permanent partial 25 per cent be included in the bureau rating schedule for arrested tuberculosis. Under the existing schedule in some cases, the rating for arrested or cured tuberculosis is no per cent or less than 10 per cent. The purpose of this amendment is to insure that where a man has a compensable disability in addition



to his tuberculosis, that the rating of the two may be combined and compensation paid accordingly. Some time ago the medical council of the bureau advised that a veteran having arrested tuberculosis following a period of activity has a minimum industrial handicap of 25 per cent. A veteran having a service-connected arrested tuberculosis which follows a period of activity is paid \$50 per month statutory award. Therefore this amendment would not affect his case unless he had an additional service-connected disability.

Section 14 of the bill adds a new provision to the law hereafter authorizing payment of compensation to the dependents of veterans hospitalized for nonservice-connected disabilities, when the veteran files an affidavit with the commanding officer that his annual income is less than \$1,000, at the same rate as is payable to dependents of veterans when the veteran dies from a disability incurred in or aggravated by the military service. Benefits under this amendment do not become payable until the veteran has been hospitalized for a period of more than 30 days, but continue for a period of two months after the need for hospitalization has ceased.

Section 14 of the bill also amends the act to define the term "Spanish-American War" to mean the period between April 21, 1898, and July 4, 1902, for the purpose of hospitalization under section 202 (10). This amendment has for its purpose the adoption of the same definition for the term "Spanish-American War" as is used in the pension acts which relate to the same class of men. It would seem that if pensions are paid for this period on the theory that the period is that of the Spanish-American War, the same period should be accepted by the Veterans' Bureau in considering the right to hospitalization.

Section 14 of the bill also amends section 202 (10) of the act by providing that veterans hospitalized under the provisions of the World War veterans' act, as amended, shall be paid a hospital allowance at the rate of \$8 per month after being hospitalized for a period of more than 30 days, such payments to begin after the first month of hospitalization. The payment, however, is not to be made if the veteran is entitled to compensation or pension equal to or in excess of this amount.

Section 14 of the bill also amends section 202 (10) of the act by providing that contract surgeons who served overseas during the Spanish-American War shall be entitled to the benefits of hospitalization under section 202 (10) when facilities are available. This amendment has for its purpose the granting of hospitalization to a small class of contract physicians who served and in many instances incurred disability overseas with troops in the Spanish-American War and are now barred from the benefits of hospitalization under the act because they did not have a regular enlisted or commissioned military status.

Section 15 of the bill amends subdivision 15 of section 202 of the act by providing that any person who is now receiving a pension, and who also has a disability of World War origin for which compensation is payable, may waive the pension and have the disability on account of which same is otherwise payable evaluated with his World War disability. Under the present law a veteran of this class must waive pension entirely if he elects to receive compensation. It seems unfair to deprive a veteran of his pension for a disability acquired in the service other than during the World War simply because he has acquired another disability during the World War for which he is entitled to compensation. It appeared that the easiest solution to this problem was to consider his otherwise pensionable disability along with his World War disability, evaluate the two under the World War veterans' act, and pay compensation accordingly.

Section 16 of the bill repeals section 206 of the act, which requires the filing of proof in certain cases prior to April 6, 1930.

Section 17 of the bill repeals section 209 of the act, which requires the filing of claims prior to April 6, 1930, in certain cases.

Section 18 of the bill amends section 210 of the act by the addition of a provision to the effect that nothing contained in that section shall be construed to permit the payment of compensation under the World War veterans' act, as amended, for any period prior to June 7, 1924. Heretofore, the bureau has refused to pay compensation in any cases where the veteran had no right prior to the enactment of the World War veterans' act, 1924, for any period prior to the date of the enactment of this act. Recently the Attorney General and the Comptroller General of the United States ruled that under the language of the statute payments could be made in some cases two years prior to the date of application, and in other cases one year prior to the date of application.

Section 19 of the bill amends section 212 of the World War veterans' act by providing that death compensation shall be payable to a small group of dependents not now entitled thereto under existing law. There is a class of cases in which veterans had accrued rights under the war risk insurance act and if they died from the disabilities on account of which they were drawing compensation prior to June 7, 1924, their dependents were entitled to compensation under section 201 of the World War veterans' act, as amended. If, however, the death did not occur until after June 7, 1924, it was held that the accrued right which the veteran had during his lifetime did not apply to the dependents, and since the death occurred after the war risk insurance act was re-

pealed, the dependents could not receive compensation even though the disability causing death was due to service.

Section 19 of the bill also amends section 212 of the act by providing that a claim filed for compensation under the war risk insurance act or the World War veterans' act shall be deemed to be a claim for compensation under both acts and all subsequent amendments thereto. This amendment has for its purpose giving approval to prior practice of the bureau. A question as to the propriety of this practice was recently raised by the Comptroller General, who insists that a new application be made each time a new right arises under amendatory or new legislation.

Section 20 of the bill adds a new provision to the act, authorizing the director, in his discretion, to pay to dependents of an incompetent veteran drawing compensation who disappears the same amount of compensation as is provided for the same class of relatives of a veteran who dies of a service-connected disability. When a veteran disappears it is necessary for the bureau to suspend all payments pending his re-appearance or proof of death. This amendment would appear justifiable, as there is no question but that hardship has resulted from the disappearance of a few incompetent veterans.

Section 21 of the bill amends paragraph 3 of section 301 of the act so as to authorize the reinstatement of insurance by a small class of veterans which is still permitted to carry term insurance. The amendment is in reality a clarification of existing law.

Section 22 of the bill amends section 304 of the act for the same purpose as the previous amendment. It is for the purpose of clarifying existing law.

Section 23 of the bill amends section 307 of the act by making all contracts of insurance issued by the Government incontestable from date of issuance, except for fraud, nonpayment of premiums, or on the ground that the applicant was not a member of the military or naval forces. This is a very sweeping amendment, and will place beyond contest many contracts and policies of insurance which otherwise would be contestable. It is a well-recognized principle of commercial insurance companies, however, and in reality is only a clarification of the existing law, which was practically nullified by a recent decision of the Comptroller General. The amendment has for its purpose the stabilization of Government insurance and to insure to the beneficiary payment of this insurance at date of permanent total disability or death. The amendment also prevents the bureau in connection with suits on original contracts of insurance in raising the plea of estoppel because of subsequent reinstatement or conversion of the insurance. This is technically a legal defense, and under the amendment such defense not only is prevented but the claimant is given the right of electing under which policy of insurance he will pursue his suit.

Section 24 of the bill amends section 311 of the act by clarifying the provisions thereof relative to insurance against total disability to be issued by the Government at a premium rate commensurate with the risk. This amendment merely changes the language of the existing law, so as to make these provisions which have been authorized to be placed in existing policies more nearly in line with similar provisions in commercial contracts.

Section 25 of the bill amends the law by adding a new provision protecting the existing rights of veterans under the World War veterans' act. As the result of the enactment of this measure the present rights of veterans will not be adversely affected.

J. O'C. ROBERTS.

#### DISTRICT OF COLUMBIA APPROPRIATIONS

The SPEAKER pro tempore. Under special order of the House, the Chair recognizes the gentleman from Nebraska [Mr. SIMMONS] for 15 minutes.

Mr. SIMMONS. Mr. Speaker and Members of the House, the District appropriation bill is the last of the annual supply bills that has not been agreed to in conference. Usually the appropriation bills are not the subject of discussion in either House of Congress except where they are actually before one of the bodies for consideration and action.

I would not speak now were it not that certain statements regarding the bill and its conference status have been made in another legislative body. I do not intend to go in detail into the subject of fiscal relations except to refer to those statements. The gentleman from Michigan [Mr. CRAMTON], the gentleman from Georgia [Mr. CHASE], the gentleman from Texas [Mr. MANSFIELD], and others have ably discussed the subject on the floor of the House. On February 21 and May 25, 1928, I discussed the subject at length, my remarks being available as House Document 330, Seventieth Congress, first session. Other statements have been made since that time. Numerous studies by the Bureau of the Census, the Bureau of Efficiency, and outside agencies are available for those who desire to make a detailed study. I will be pleased to direct any Member to the source material from which study may be made and judgment may be had.



The House is entitled to know the status of the bill and the position taken by its conferees. The conferees of another legislative body stated their position to that body on June 9, page 10248 of the CONGRESSIONAL RECORD. It is to that statement that I desire to direct the attention of the House.

The charge that the House conferees are unfair has been made. I assume that it is not intended to be a personal charge, but is an expression of opinion as to the position of the House conferees.

The subject of fiscal relations between the United States and the District of Columbia is as old as the District itself. It will probably be a subject of discussion and disagreement just so long as the present system of government exists.

The gentleman from Georgia [Mr. CRISP] has pointed out that when the original 50-50 plan was adopted in 1874—after controversy with the then existing government of the District, that the city of Washington consisted of 6,110 acres, and it was to the maintenance of that city that the United States contributed. The old city of Washington, and the city of Georgetown, and the county of Washington have all been abolished. Technically, there is no city of Washington. The old city of 6,110 acres is gone—the District of Columbia with its 44,316 acres succeeded it—and while the area has increased seven times they still demand the same proportionate Federal contribution.

For a long number of years Congress paid 50 per cent of the cost of all the municipal activities and improvements in the District. Finally Congress, in an appropriation bill, when the bill was in conference between the House and Senate changed the law to 60-40. Still later, Congress, in the appropriation bills has changed the plan of payment from percentage plan to a lump-sum contribution of \$9,000,000, and released to the District of Columbia certain taxes which the Federal Government theretofore had collected from the District, amounting in the neighborhood of about \$1,000,000 annually.

There were two reasons for the adoption of the lump-sum plan. The first recognized that the property values of the United States remained fairly constant, while it is a common knowledge that the values of property subject to taxation have been constantly increasing as Washington's home and business activities have expanded. If the relationship between the Government property and private property remained constant, then a fixed percentage plan would be fair—but those values do not remain constant. The private-property values have increased far out of proportion to the values of Government property so that a percentage basis that was fair to the United States and the District in 1918 would be exceedingly unfair to the United States and decidedly advantageous to the District taxpayer in 1930. That is probably the reason for the demand that we return to the old percentage basis.

The gentleman from Michigan [Mr. CRAMTON] tells me that there was a second reason for the adoption of the lump-sum plan, and that was that it enabled the Federal Government to pay what is considered its obligation to the Nation's Capital and enable likewise the District to expend and meet essential municipal development costs from its own revenue.

The lump-sum plan is here. The House this year carried the usual \$9,000,000 Federal contribution. That amount the Senate increased to \$12,000,000.

I pointed out to the House on May 19 (CONGRESSIONAL RECORD, p. 9146) that while the other legislative body proposed to take \$3,000,000 additional from the Federal Treasury and give it to the District the bill as passed the Senate did not propose to spend even the amount available to the District under the \$9,000,000 authorized by the House. The Senate proposed to transfer \$3,000,000 from the Federal Treasury to the District of Columbia treasury and do not propose to spend one dollar of the \$3,000,000. As nearly as I can understand, their proposal is that they will lay the \$3,000,000 aside for the benefit of the District, to be spent hereafter.

The bill went to conference on May 19. The conferees on the part of the two Houses met and discussed briefly the amount to be contributed by the United States. At the suggestion of the Senate conferees it was agreed that the matter be passed over until the other 144 amendments in the bill should be considered. With that understanding, the conferees proceeded to consider the next 68 Senate amendments. On the day of the third meeting of the conferees, on May 26, the Senate conferees requested to return to amendment No. 1, dealing with the Federal contribution, and followed that request with the announcement that unless the House conferees were willing to compromise somewhere between the \$9,000,000 and \$12,000,000 that they saw no reason to proceed with the other amendments, and they did not propose to accept the House figure of \$9,000,000.

The House conferees took the position that the taking of money from the Federal Treasury was not a matter of compromise, but that it should be based upon facts justifying the

diversion of public funds for the named purpose. The House conferees further stated that all of the facts in their possession clearly show that the Federal contribution of \$9,000,000 was not only just for the District but in fact exceedingly generous. The House conferees asked the Senate conferees to submit facts that disproved these conclusions, that might be brought back to the House to show that \$9,000,000 was not sufficient. The facts were not produced. The House conferees were asking for the facts; the Senate conferees were demanding a compromise. Individual members of the conferees of the other body prepared to leave the conference room, announcing that they saw no reason for further conference. Whereupon the House conferees advised the Senate conferees that the House conferees were there ready to confer on any one or all of the 145 Senate amendments in the bill; that if the Senate conferees broke off the conference and left the conference room that the House conferees would return to the House, that the House conferees would request no further conference, and that no further conference would be had unless and until the Senate members asked for it. With the exception of one Senator the Senate conferees left the room and did not return, although the House conferees remained for almost one hour discussing the situation with the one Senator. Thereupon the House conferees restated their position, expressed a willingness to return to the conference at the request of the Senate conferees, and returned to the House Chamber. The House conferees have been at all times and now are ready to resume the conference. The House conferees did not break off the conference. The House conferees refused to yield on the issue until the Senate conferees furnished facts which they could bring back to the House to justify a Federal gratuity of more than \$9,000,000 to the District. That was our position on May 26; it is our position now, and will continue to be the position of the House conferees on this bill.

The Senate conferees in their statement read to the Senate rest their case upon 4 points. Let us briefly consider them. Point 1 is that if \$9,000,000 was fair and just in 1925 when the total of the bill was \$31,000,000 then it can not be fair and just when the total of the bill in 1931 is \$43,500,000. That statement has since been amplified with a reference to the fact that in 1910 the District bill carried approximately \$11,000,000 as against \$43,500,000 this year, and that during that same period of time the Federal gratuity has increased from \$5,000,000 to \$9,000,000. They conclude, therefore, that the Federal contribution is not keeping pace with the District contribution. The error in their contention is that they assume that the relationship between the Federal property values and activities and District property values and activities remain constant. But such is not the fact. In 1910 the District had subject to taxation real and tangible personal property of the assessed value of \$326,512,417. That year there was a District tax rate of \$1.50 and there was also collected in miscellaneous revenues \$1,036,941.

The real and tangible personal property assessment had increased from \$326,512,417 in 1910 to \$919,603,137 in 1925 and again in 1930 had increased to \$1,289,669,865. Intangibles increased from \$296,926,000 in 1918 to \$410,106,188 in 1925 and \$545,188,143 in 1930. Miscellaneous revenues of \$1,036,941 in 1910 increased to \$2,412,861 in 1925 and \$3,500,000 in 1930. So that while the total of the bill has increased it has only kept pace with the increased resources of the District. The District has expanded in its government cost as its size has expanded. The tax rate in 1910 was \$1.50 based upon a supposed assessment at two-third's value. The tax rate in 1925 was \$1.40 based upon a supposed but not actual 100 per cent assessment. The tax rate in 1930 was \$1.70 based again upon supposed 100 per cent value assessment.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. WOODRUFF. The gentleman just stated that if the House prevailed in regard to the amount of money turned over to the District, the tax rate would remain in Washington at \$1.70.

Mr. SIMMONS. Yes.

Mr. WOODRUFF. Will the gentleman state whether or not there is any city in the United States of comparable size where the tax rate is anywhere near as low as in the city of Washington?

Mr. SIMMONS. The gentleman will find in the hearings this year and over a number of years a statement from the Bureau of the Census; a statement from the Detroit Research Bureau, an independent organization; and a statement from the Bureau of Efficiency, showing that Washington's tax rate is decidedly below the average when you take into consideration not only the tax rate but the assessed values and balance them all. There is no dispute anywhere about that.



Mr. WOODRUFF. The gentleman stated that we would find the rate here would be still below the average. Can he state whether there is any city in the United States of comparable size that is taxed at a lower rate than the city of Washington, or nearly as low?

Mr. SIMMONS. There may be some that have on the face of it a lower rate, but they are few.

Mr. WOODRUFF. I never yet have been able to discover any of those cities anywhere in the United States.

Mr. SIMMONS. I would not want to say that none have without checking up the available figures.

Mr. BLANTON. And the \$1.70 embraces all of the taxes—school taxes, water, light, sewer, everything—while out in the States we have a number of different kinds of taxes, which in the aggregate makes the rate much higher than \$1.70. I ask the gentleman this question: If a Member of either body owns several hundred thousand dollars worth of taxable real estate in the District of Columbia, and owns several hundred thousand dollars worth of intangible assets in the bank vaults of Washington, whether under the Constitution he has the right to vote to increase the burden of the people of the United States, and decrease the tax rate in Washington?

Mr. SIMMONS. I would rather not answer that question because I have tried to conduct the argument on this matter without regard to a certain series of statements that have been made about me, so that it will not emerge into a personal matter between me and some one else.

Mr. BLANTON. I would like to show the gentleman some of my files on that question.

Mr. SIMMONS. Some day, the gentleman may.

Mr. CRAIL. And in addition to the taxes enumerated by the gentleman from Texas, in other cities they have to pay county and State taxes.

Mr. SIMMONS. And they are all here in one set.

Mr. COLE. Mr. Speaker, will the gentleman yield to a question?

Mr. SIMMONS. Yes.

Mr. COLE. The Government owns a great deal of property all over the country. Recently the Government acquired three-quarters of a million dollars worth of property in my home city. We do not tax that Government property. The Government pays no taxes on that. We are glad to exempt it.

Mr. STRONG of Kansas. And is there a State capital in the United States where the State contributes to the capital city because it has placed its capital there, or is there any county in the United States where the county contributes to the county funds because the county seat is located there?

Mr. SIMMONS. None whatever.

Mr. STRONG of Kansas. This then is the only place in the United States where the people contribute to the revenues of the city in which their capital is located?

Mr. SIMMONS. Yes.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. GREEN. I am wondering whether the gentleman, as a member of this committee and a student of the problems confronting us about the District of Columbia, has given serious consideration to ceding back the District to the State of Maryland and letting the Government obtain the same position as a State capital? It seems to me that that would solve all of this trouble.

Mr. SIMMONS. That has nothing to do with this particular issue at this time.

Mr. GREEN. I hope that some time the gentleman will give attention to that.

Mr. SIMMONS. Figures and studies are ample to show that the tax rate in Washington is low when all elements are balanced off and considered. So far as I know no Senator claims that the Washington tax burden is excessive; and it should be pointed out that the Senate this year accepted the House proposal that the tax rate in Washington should not be reduced. Were it not for that provision in the District bill, and if the House accepted the Senate figure of \$12,000,000, then the tax rate could be reduced from \$1.70 next year to \$1.45.

To so state it disproves the charge that the House \$9,000,000 contribution is unfair and unjust.

Point 2 of the Senate conferees asks the question that if \$9,000,000 was fair and just in 1925, is it fair and just in 1931, the value of the United States property having increased many millions in the meantime?

Point 2 is really a part of point 1. Admitting the increased value of the United States property, they ignore the vast increase of taxable property and income in the District, all of which I have just set out and which answers this question.

Point 3 refers to a series of proposed municipal improvements, some of which are carried in the 1931 House and Senate

bill; many of them are not authorized and for which appropriations could not be made.

Point 3 reaches out into the future and worries about a lot of things that may never happen. They ask, then, Where is all of the money coming from to pay for them? As a partial answer, they suggest the Federal Treasury. It would be nice for the people of Washington if the Congress would provide that the people of the United States would be their Santa Claus in financial matters.

In my judgment, the suggested municipal improvements in Washington can be met from current revenues without unduly burdening the people of Washington with taxes.

Certainly the taxpayer of Washington is under more obligation to meet that cost than the taxpayer of the United States. For municipal developments, the people of Washington should look to their own resources rather than ask the United States to carry their burden. Other great cities pay their own way and are proud of it—why should not Washington do likewise?

Point 4 raises the proposition, first, that the Government by purchasing property and removing it from the tax column is depriving the city of revenues and that the exemption of this class of property calls for compensating revenues from the United States.

The statement appears, on its face, to have merit. However, the District assessor studied and fully answered their contention. On April 4 I inserted in the CONGRESSIONAL RECORD, page 6550, his statement answering their contention. Let me repeat it here:

Mr. WILLIAM PRICE,

*Editorial Department, Washington Times, Washington.*

DEAR MR. PRICE: The statement is continually made in the newspapers and out of them that the purchase of private property by the United States will tend to weaken the base of taxation by taking away property now assessed, thereby reducing our means of raising revenue through assessment of real estate.

I have been asked the question by several, and once by you, whether this was not true, and my reply is that the whole idea is based on no facts and is more or less a figment of the imagination. With the average citizen of Washington the idea, or notion, has become fixed by constant repetition. The purchase of property by the United States from private citizens not only does not narrow the basis of assessment, but even adds to it and widens and strengthens it, and this is so for the following three reasons:

First. That purchases of property by the United States are generally at a figure that enables the owners to invest in better pieces of property. The shift in business locations from one place to another may thereby even add to the volume of the business.

Second. The wealth of a city does not depend on its area or amount of ground covered by either business or residences.

Third. The real-estate wealth of a community is directly proportional to the number of inhabitants, so that if the number of inhabitants grow even while purchases are being made the value of the community will grow in the same proportion.

Taking up the first assertion that property purchased by the United States is at such figures as to produce an increased assessment base I will refer you to a few instances:

The Southern Railway received an award greatly in excess of the cost of the property and then expended an amount even in excess of this award. The assessable base in this case was increased instead of being diminished. In the new location of the Southern Railway offices, old properties were removed and the section greatly improved to the advantage of the surrounding property. In this process the price paid for old and obsolete properties enabled the owners to move elsewhere, giving them a choice of new locations and enabling them to erect new and better improvements. In this instance the ramifications of changes, of course, were very great.

Subsequent to this statement Mr. Richards had studied, as typical of the many, the Southern Railway Building purchase. Many point to that office building, now owned by the Government, and say, "See the property removed from taxation—the Government should pay."

What are the facts about that transaction?

The United States bought the Southern Railway Building at 70 per cent above its assessed valuation, enabling the owners to reinvest that money elsewhere on a larger basis. The property at Thirteenth and Pennsylvania Avenue NW. had an assessed value when taken of \$1,749,240. That much property was taken from the tax rolls. The Southern Railway bought at Fifteenth and K Streets NW. property assessed at \$948,544—a total assessment of the old office building and the old property at Fifteenth and K Streets NW. of \$2,697,784, upon which the District would have received taxes had no purchase by the United States been made. The Southern Railway rebuilt and their present property is assessed at \$2,731,000. Therefore, while the old Southern Railway Building has been removed



from taxation the assessed value of the new building is actually \$33,316 more than both the old properties, so that the District has actually gained from that transaction. In addition to that there has been the reassessment of surrounding properties. And so the story might go on of the direct benefit in tax revenues from the Government's building operations in Washington.

Mr. Richards continues:

Again the power company sold property at Fourteenth and B Streets and changed the location of their office to Tenth and E Streets, which is a better location for the company and which has had the effect of raising the value of land surrounding the new locality.

Another instance is that of a hotel which had seen its best days; it was sold to the Government at a figure that would enable hotel business to be carried on in a better location, or else allow the money to be used as a better income producer.

The second assertion as to relation between area and real-estate value can be confirmed by comparing the sale at Fourteenth and G made in 1908 and the one made about 16 years afterwards when the price obtained was three times the former sale. The area and improvements remained the same but the increase in population "turned the trick." Or to illustrate, in another manner, it is found that one-half of the wealth of the District of Columbia is included in about one-sixteenth of its area. If this area of wealth be shifted slightly from one geographical center to another, the volume of business will not be decreased, and consequently the exchange of wealth, which is the basis of real-estate wealth, will remain the same. The location of certain centers of business properties are constantly changing, and there is no difference whether this change be brought about by a purchase of property by the United States or by the necessities due to a change in the number of inhabitants the results are bound to be the same.

In the third assertion as to the wealth of a community being proportional to its number of inhabitants is shown by recent statistics. A study of all of the cities the size of Washington will show that real-estate wealth may be approximated at \$2,000 per person, and that for cities double the size of Washington the wealth of the real estate will be found to be \$2,000 per person, or possibly a little more will still apply. This will show that a rearrangement of our living conditions and business location must still meet with the same ratio of wealth per person.

Not only do I assert that the purchase of property by the United States will not interfere with the real base of assessment, but the actual results now arising are the widening and enlargement of this base by reason of the fact that every new building put up by the United States holds forth an inducement for new clerks and consequent enlargement of the population, all of which has its reflex in the ultimate amount of assessment value. It can not be denied by anyone who stops to think on the matter that the recent activities of "Uncle Sam" have taken up some of the slack felt so keenly elsewhere.

Very truly yours,

WM. P. RICHARDS.

It might be here pointed out that, so far as I know, the Washington Times has neither published nor commented upon the letter sent in by Mr. Richards which I have just read.

The statement of the Senate conferees refers to the "exemptions of various classes of property" here. Washington probably has more property exempt from taxation than any city in the United States—but it does not follow that exemption is detrimental to the people of Washington. Here there are no inheritance taxes. Domestic and foreign corporation taxes are small by comparison with the States. Here there is an exemption of \$1,000 to the heads of families on household goods, exempting from taxation practically all the homes of Washington. There is no poll tax, no general franchise tax on corporations which receive special franchises or privileges.

The following intangibles are exempt from taxation:

First. Savings deposits of individuals in a sum not in excess of \$500 deposited in banks, trust companies, or building associations, subject to notice of withdrawal and not subject to check.

Second. Shares of stock of the local banks, including savings banks, the telephone and electric-light companies, the gas companies, and street-railway companies, the bonding and title-insurance companies, and building associations of the District of Columbia, and any other corporation paying a tax upon its gross receipts, earnings, premiums, and so forth.

Third. Shares of stock of any business company incorporated in the District of Columbia and receiving no special franchise or privilege in addition to incorporation, whose property, real and personal, or capital stock is subject to taxation here.

Fourth. Shares of stock of business corporations which are incorporated in other jurisdictions, but chiefly for the purpose of doing business in the District of Columbia, and receive no other special franchise or privilege here, and whose property, real and personal, or capital stock is subject to taxation here, and which are engaged in business here.

Fifth. United States bonds, State and municipal bonds, District of Columbia bonds, and such other bonds as are specifically

exempted by Congress from taxation, are not subject to taxation under the intangible personal property act of the District of Columbia.

Sixth. Deposits in bank and trust companies of corporations and individuals neither resident nor doing business in the District of Columbia.

Seventh. Bank notes or notes discounted or negotiated by any bank or banking institution, savings institution, or trust company.

Eighth. Savings institutions having no capital stock, building associations, firemen's relief associations, secret and beneficial societies, labor unions and labor-union relief associations, beneficial organizations paying sick or death benefits, either or both, from funds received from voluntary contributions or assessments upon members of such associations, societies, or unions.

Ninth. Life or fire insurance companies having no capital stock.

Tenth. Corporations, limited partnerships, and joint-stock associations within said District liable to tax under the law of the said District on earnings or capital stock shall not be required to make any report or pay any further tax under this section on the mortgages, bonds, and other securities owned by them in their own right, but such corporations, partnerships, and associations holding such securities as trustees, executors, administrators, guardians, or in any other manner shall return and pay the tax imposed by this section upon all securities so held by them as in the case of individuals.

Eleventh. National-bank stock is exempt from taxation under section 5219 of the United States Statutes. Such stock is taxed in the city or town where the bank is located and not elsewhere.

Twelfth. The exemption provided by law on deposits runs to the sum of \$500, subject to notice of withdrawal and not subject to check. Above that amount the excess is taxable. As to stock held by individuals in building associations, the same ruling should be followed that applies to stock held in local banks; that is, that such stock is exempt from taxation, whatever the amount held.

Thirteenth. An individual residing elsewhere but having a bank deposit in the District of Columbia—as a matter of convenience—would not be taxable in this jurisdiction.

Fourteenth. Proceeds from war-risk insurance.

Should the United States make up in cash the exceptional exemptions from taxation granted to the people of the District? I take it not. It would be far more just to remove the exemptions, subject the property to taxation, and put the revenues in the District treasury. But you hear no clamor for that in Washington.

They then quote from the message of President Coolidge that the United States should build here a great and beautiful Capital City. Surely they do not overlook the fact that since the President made that statement that Congress has authorized the expenditure of \$286,503,000 in Washington, that the Government is paying the entire cost of this development, and that every dollar of United States money spent here increases the value of the private holdings in Washington and contributes to the financial well-being of Washington's citizenship. They refer to the "depressing effect" of excessive taxation. They make no effort to establish or prove an excessive tax here. I am ready to admit that taxes have a depressing effect. But I can not believe that Congress has the right to increase that "depressing effect" upon the people of the United States in order to relieve a favored few of it in the Capital City.

Again the statement is made that Washington has no large business industries to which it may look for revenue. How absurd! Here is located the greatest business in the world—an ever-expanding business—that of the Government of the United States. Were it not for the fact that here is located the business establishment of the United States, the District would still be a swamp on the banks of the Potomac. No other city in the United States has gone through the last 10 years without bank failures or great business depressions. No other city has an assured income that will fail only when the United States Government fails. No other city goes through the years unaffected by flood or drought, famine or overproduction. No other city knows better than Washington its financial future.

They say the United States owes something to Washington because it is the Nation's capital. Were it not for that fact there would be no contribution whatever.

The United States contributes nothing to other cities where it owns tax-exempt properties. To the little cities with their Federal building where the United States refuses to pay for the paving in front of its own property on up to the great cities with millions of United States owned tax-exempt property the Government makes no contribution. They ask for none. Not an American State contributes to the support of its capital city. Washington alone of all the cities of America demands



it—demands it not as a matter of grace but as a matter of right. Washington admits no obligation to the United States Capital in return for the many and great benefits it receives from the location here of the Nation's Capital. The House bill provides a Federal gratuity or contribution, call it what you will, to the Nation's Capital. It is a fair, just, generous contribution—made on behalf of the people of the United States to this city. If I sense correctly the sentiment of the House it both should not and will not give more.

If the bill must fail by reason of the demand for a still greater contribution let the responsibility for the failure rest where it belongs.

Mr. LOZIER. Mr. Speaker, will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. LOZIER. Is it not a fact that the value of all the property in Washington is dependable primarily and essentially upon the fact that this is the Capital of the Nation, and that any and every extension of Government property holdings of the city automatically increases the value of other property in the city, and that the greater the building program of the Government and the enlargement of its holdings, the greater is that program reflected in the increased valuations of other property?

Mr. SIMMONS. There is no doubt about that. The property on the north side of Pennsylvania Avenue has been increased in its assessed value since the purchase of the triangular area began, and that development has gone on, as illustrated specifically by the situation with respect to the Southern Railway Building.

#### COPYRIGHTS

Mr. PURNELL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 243.

The SPEAKER pro tempore. The Clerk will report it.

The Clerk read as follows:

#### House Resolution 243

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 12549, a bill to amend and consolidate the acts respecting copyright and to permit the United States to enter the International Copyright Union. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Patents, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. PURNELL. Mr. Speaker, I desire to take only two or three minutes in presenting the resolution.

This resolution, as it clearly indicates, will make in order the consideration of the bill H. R. 12549, the purpose of which is to amend and consolidate the acts respecting copyrights and to permit the United States to enter the International Copyright Union. It is generally known and referred to as the copyright bill.

The matter is highly technical. It is one that has been under consideration for five or six years. It has more indorsements, it seems to me, than almost any bill that has come before this body in many months.

I sincerely hope that the resolution will be quickly adopted in order that we may immediately begin the two hours' debate provided for by the resolution. I want to suggest in this connection that the bill will be read under the 5-minute rule, which will afford full opportunity for debate. While the majority and minority members of the Committee on Patents are in favor of this legislation, I think the understanding which was had yesterday will insure those opposed to it an ample opportunity to discuss it.

Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. O'CONNOR].

The SPEAKER pro tempore. The gentleman from New York [Mr. O'CONNOR] is recognized for 10 minutes.

Mr. O'CONNOR of New York. Mr. Speaker and ladies and gentlemen of the House, while this bill may be highly technical, it is at the same time an important measure, and I desire at this time to point out to the House what often happens when you come to a general revision of substantive law.

This is a general revision bill, and so labeled. A general revision often permits people who have special interests to subvert to have put in here and there provisions favorable to their particular interests. A general revision of the tariff now in our laps is typical of that opportunity. First, in reference to the rule, I desire to call to the attention of the House a situation bordering on deceit which has happened several times

in hearings before the Committee on Rules. Exaggerated statements are often made as to who or how many persons or interests support or approve a bill. It was said in the hearing before the Committee on Rules on this copyright bill that there were only two persons in the world opposed to it, and that those two were William A. Brady and Lee Schubert; and yet it now appears to be the fact that countless persons are opposed to it. In fact, 90 per cent of the theatrical producers—those who give us the legitimate drama—are opposed to it. Could they have been overlooked in the count? It reminds me of a similar instance recently. The chairman of a certain committee stated unequivocally before the Committee on Rules that the bill for which he asked a special rule had the unanimous support of his committee—not this bill, but another bill—yet when the bill was called up in the House we found it was vigorously opposed by seven or eight members of that reporting committee, and they had always been opposed to it. Such mathematics are hard to follow.

This may be a very good bill in its entirety, and I shall vote for it, but I do hope several matters in it will first be clarified by amendment, when we come to a general revision and let the people principally interested draft the bill. The general public, commonly called the consumer, has no representative before the committee or before the Rules Committee, and therefore it behooves this House to look carefully into the bill when it comes on the floor, released from control of those especially interested.

Mr. O'CONNELL. Mr. Speaker, will my colleague yield?

Mr. O'CONNOR of New York. Yes.

Mr. O'CONNELL. Does the gentleman say that a member of the Interstate and Foreign Commerce Committee made such a statement as he referred to, and that later opposition was shown to the bill?

Mr. O'CONNOR of New York. Yes. That happens once in a while.

There are some things in this bill, however, that particularly interest me, not personally, both as a lawyer and as a Member of this body. I want your attention, fellow Members, so that when the bill is discussed you gentlemen who are lawyers will consider certain provisions carefully.

Mr. SNELL. Was the gentleman referring to me?

Mr. O'CONNOR of New York. No. Of course, the authors and producers have their own interests to serve. I do not charge them with anything improper. For instance, under the present copyright law a copyright continues for 28 years, with a possible extension of 28 years. The Constitution provides that Congress can pass laws giving the people the right to copyright their productions for "a limited time." The Constitution uses the exact words "a limited time." In this bill, however, a man who gets a copyright on an article or whatnot has control over that article—listen to it—for all his life, plus 50 years! Is that a "limited time," within the meaning of the Constitution? Who is responsible for that particular provision in the bill? Why was the time increased?

The idea behind the constitutional provision is that it is proper to protect the products of genius; but the ultimate hope is that the product of the brain and of the hand will ultimately become the common property of the people of our country and possibly the people of the world.

Mr. BLOOM. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. BLOOM. Would it not become the common property or enter into the public domain just the same under this bill as it does under the present law, and is not the time practically the same?

Mr. O'CONNOR of New York. Oh, no, indeed.

Mr. BLOOM. The time is 56 years.

Mr. O'CONNOR of New York. Surely the present time may be, but under this new bill a young man or a young woman might create a production which is copyrighted and control through himself or his descendants or his assigns that copyright during his or her life and for 50 years more. It might run for 100 years. It might run for 125 years. I am wondering why the authors of the bill did not also add in there "the period of gestation," which usually accompanies a rule against perpetuity.

This may be a good bill. It should, however, be considered for amendments very carefully. If it is the best kind of a bill, it should be adopted; but in fairness not only to the authors and the producers and the publishers, we should also consider the general public, those who pay the prices to witness or to hear or to read these productions—the people who support genius.

I hope therefore that, in spite of the fact that the bill came out of the Interstate and Foreign Commerce Committee and likewise out of the Rules Committee—under some misunder-



standing at least—it will have the serious attention of this House when amendments shall be offered.

Mr. PATTERSON. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. PATTERSON. I am very much interested in this and interested in what the gentleman has said, and interested in the gentleman's contention, but can the gentleman point out definitely, or is the gentleman prepared to say, that this will adversely affect the public in any way? Is the gentleman prepared to say that this will affect the public which uses these books or hears these plays, and so on, in any way?

Mr. O'CONNOR of New York. Of course, it is fundamental that if a copyright only endures for a certain time, during which time royalties can be charged, the public pays for it during that time, and if you extend the time by 50 years or 100 years, it puts an added burden on the public. That is fundamental. A 2-year lease costs more than a 1-year lease.

Mr. BLOOM. But it may not extend it.

Mr. O'CONNOR of New York. I am not talking about "may." If a man lives long enough it will. Where you have a fixed limit now of 56 years, by this action it may extend to possibly 125 years.

Mr. BLOOM. How is it going to affect the public in any way? What difference does it make to the public?

Mr. PATTERSON. Because it is a separate copyrighted thing, carrying with it the extra cost of royalties, and so forth.

Mr. BLOOM. To-day you pay just as much for an uncopied thing as for a copyrighted thing.

Mr. O'CONNOR of New York. Of course, that could not be economically sound. Otherwise people could not afford to pay any royalties.

Mr. BLOOM. But it is the fact.

Mr. STAFFORD. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. STAFFORD. I assume the gentleman has knowledge of the statements in the press recently with regard to a reduction in the price of standard books by reason of a certain fight between publishers.

Mr. O'CONNOR of New York. Yes.

Mr. STAFFORD. In that instance the public is getting the benefit, but if there was not that fight the public would be paying the freight in double prices.

Mr. O'CONNOR of New York. All of these copyright and license privileges, granted by the Government, and patent privileges, are monopolies. They are the few monopolies which the Government recognizes. The Government, out of a desire to stimulate genius recognizes those monopolies, but because they are monopolies we should not go too far or extend them beyond reasonable lengths.

Mr. LOZIER. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. LOZIER. Is it not true that while genius should be protected for a reasonable time, on the other hand the men who create these products are the beneficiaries of the public? They are the beneficiaries of the wisdom and the learning of men and women who have gone before them, and do they not owe something to the public of whom they are beneficiaries?

Mr. O'CONNOR of New York. Exactly. Under some theories of Government, and not necessarily the extreme communistic theory, all these creatures of the individual would become the general property of the country, but to encourage genius our form of government grants them certain rights or privileges of a monopolistic nature and these extraordinary privileges should not be extended beyond reason.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. PURNELL. Mr. Speaker, I move the previous question.

Mr. BUSBY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. PURNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 66]

Abernethy	Celler	Douglass, Mass.	Hudspeth
Allen	Chase	Doyle	Hull, Morton D.
Auf der Heide	Christgau	Esterly	Hull, Tenn.
Bankhead	Clarke, N. Y.	Finley	Igoe
Beck	Connelly	Port	James
Bland	Connolly	Garber, Va.	Jeffers
Robn	Curry	Gibson	Johnson, Ill.
Brand, Ohio	Davenport	Golder	Johnson, Okla.
Britten	Dempsey	Graham	Johnston, Mo.
Buchanan	De Priest	Hammer	Kennedy
Buckbee	Dickinson	Hoffman	Ketcham
Cable	Dickstein	Hope	Kieess
Cannon	Douglas, Ariz.	Hopkins	Kunz

Kurtz	Norton	Sinclair	Vincent, Mich.
McCormick, Ill.	Oliver, N. Y.	Spearing	Welch, Calif.
McDuffie	Owen	Stedman	White
McReynolds	Peavey	Stobbs	Williams
Maas	Porter	Sullivan, N. Y.	Wingo
Menges	Pou	Sullivan, Pa.	Woodrum
Mooney	Pratt, Harcourt J.	Taylor, Colo.	Yon
Nelson, Wis.	Pratt, Ruth	Treadway	Zihlman
Niedringhaus	Rayburn	Tucker	
Nolan	Romjue	Underhill	

Mr. McCORMACK of Massachusetts. Mr. Speaker, I would like to have it noted in the RECORD that my colleague from Massachusetts, Mr. DOUGLASS, is unavoidably absent on a very important matter.

The SPEAKER pro tempore. Three hundred and thirty-nine Members have answered to their names, a quorum.

Mr. PURNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. BUSBY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Indiana yield for that purpose?

Mr. PURNELL. For a parliamentary inquiry; yes.

Mr. BUSBY. Mr. Speaker, the rule we are about to consider deals with a legislative bill which was reported by the Committee on Patents. The report of the committee does not comply with the provisions of the Ramseyer rule. What I want to ask the Chair is this: At what point in the proceedings it would be proper for me to make a point of order against the consideration of this legislation because the report does not comply with the Ramseyer rule? Should it come before the rule is adopted?

The SPEAKER pro tempore. The present impression of the Chair is that such a point of order would be in order when the motion is made to go into the Committee of the Whole under the rule.

Mr. BUSBY. Then the rule does not automatically carry us into the Committee of the Whole?

The SPEAKER pro tempore. It does not. It makes it in order to move to go into the Committee of the Whole.

Mr. MICHENER. Mr. Speaker, it occurs to me that there might be another interpretation given the rule than that indicated by the Speaker in his last statement. This resolution makes it in order to move that the House consider this particular piece of legislation, H. R. 12549. If this particular piece of legislation is improperly on the calendar, a motion to strike it from the calendar is in order at any time; but when the Rules Committee by a special rule—which rule makes it possible to consider the bill—provides that it shall be in order to move to consider that bill, H. R. 12549, it seems to me that whether the bill was correctly reported or not has nothing to do with the matter. The Rules Committee may report a rule providing for consideration of a bill which has not even been reported. The report has no place in the picture. The rule makes in order the consideration of H. R. 12549 and not the report.

Mr. SNELL. Will the gentleman yield for a question?

Mr. MICHENER. Yes.

Mr. SNELL. It seems to me the special rule only provides the way of making it in order to call up a bill under the general rules of the House. Unless you have a rule, there is no way of calling this bill up, and this is all we provide for—to give the chairman an opportunity to call up his bill. The bill is not now before the House and can not be unless we adopt this rule. The gentleman from Mississippi, if he makes his point of order, makes it under the general rules of the House and not under the rule that is before the House at the present time. In my judgment, there is absolutely no question but that the time to make the point of order would be at the time the gentleman from Indiana rises and moves that the House resolve itself into the Committee of the Whole House, and so forth.

Mr. MICHENER. But the rule recognizes the fact that there is on the calendar a bill over which the Committee on Rules has jurisdiction. The rule itself recognizes the fact that the Committee on Rules has jurisdiction to deal with this bill, and it provides that the bill may be dealt with in a certain fashion. It would be an idle thing to say that the Rules Committee knew it was subject to a point of order and that they wanted to bring it before the House so that the point might be made and that the purpose of the rules is not to bring this legislation up for consideration. It seems to me that the Rules Committee certainly would not march up the hill and down again. The very purpose of the rule is to abrogate other rules and put this bill in a position where it might be voted upon. The calling up of the rule is the first step.

The SPEAKER pro tempore. It seems to the Chair that the Rules Committee has it entirely within its own power. If the Rules Committee by this rule, or by an amendment to this rule,



should make it in order, regardless of paragraph 2 (a) of Rule XIII, it would be in order; but as the rule now reads it occurs to the Chair that it does not go far enough to make it in order in contravention of the general rules of the House.

Mr. SNELL. If the Chair will listen to me a moment, we did not intend to make the bill in order in spite of the general rules of the House. The Rules Committee takes it for granted when a bill is reported and on the calendar of the House that it is properly reported, and it is not the province of the Rules Committee to look up the matter and see that every bill is properly put on the calendar. If the bill is properly on the calendar our rule makes it in order to call it up under the general rules of the House. To do what the gentleman from Michigan thinks we ought to do, the language would have to be "notwithstanding the general rules of the House to the contrary."

The SPEAKER pro tempore. The rule could make it in order.

Mr. SNELL. The rule could make it in order notwithstanding the fact it did not comply with the general rules of the House, but that was not our intention.

Mr. MICHENER. Surely it could, Mr. Speaker, but I have another suggestion. It is too late to make a point of order against a bill on the calendar when any step has been taken in the House dealing with the consideration of the bill. The point must be made at the first opportunity when the bill is brought up for consideration. Therefore, it is my contention that the proper time to have made the point of order was when the gentleman from Indiana [Mr. PURNELL] rose and called up this rule, which made it in order to consider the bill to-day. When the time arrives to move to go into the committee we are dealing with the bill; formalities of committee consideration and reports are not in issue. The report is no part of the bill.

Mr. SNELL. Will the gentleman yield there?

Mr. MICHENER. Yes.

Mr. SNELL. It seems to me the point of order should be made at the same time you would raise the question of consideration. Now, you raise the question of consideration of a bill just before it is called up. At the present time no definite step, as far as this individual bill is concerned, has been taken. The first definite step is taken when the chairman of the committee, under the provisions of the rule, moves to go into Committee of the Whole House on the state of the Union, and in my judgment there is no question that the point of order, if it would lie at all, would lie at that time and should be made then.

Mr. MICHENER. But, Mr. Speaker, on the question of consideration, what we have done up to this time in the matter has to do with the consideration of this bill. The only purpose of this rule is to bring before the House the question of consideration, and the minute the rule was proposed we had before the House the consideration of this particular bill.

Mr. SNELL. If the gentleman will permit right there, if we had brought in a rule to consider all three of these bills instead of three separate rules you could raise the question of consideration on each one of the bills when it was called up; and the same situation exists so far as this bill is concerned; and you should make the point of order when the bill itself is called up by the chairman.

Mr. LA GUARDIA. Mr. Speaker, the purpose of the rule is to give the House an opportunity to decide whether they want to bring up the bill or not.

Mr. SNELL. Absolutely.

Mr. LA GUARDIA. The House may vote down the rule, and that would be the end of the matter of consideration. The point of order is no different than any other matter in the bill that could be raised when the objectionable matter was reached. Suppose, for instance, in the reading of the bill you find there is something in the bill that is out of order, something providing for a battleship; you can not raise the point of order until you get to that point. Now you have here two steps, one the House decides whether or not it will approve of the rule and consider the bill; and if that is disposed of and the rule is upheld, then any point of order may be raised on the bill.

Mr. PURNELL. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The Chair has endeavored to answer the parliamentary inquiry and now adds a statement to the effect that in the opinion of the Chair this rule does not go far enough to make a bill in order which would not otherwise be in order. The Chair also calls attention to the fact that the previous question has not been ordered on this rule, so that if the Rules Committee wishes to amend it even now it may be amended.

The gentleman from Indiana moves the previous question on the rule.

The previous question was ordered.

The resolution was agreed to.

Mr. VESTAL. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12549) to amend and consolidate the acts respecting copyright and to permit the United States to enter the International Copyright Union, made in order by the rule just adopted.

Mr. BUSBY. Mr. Speaker, I make a point of order against consideration of the bill, because the report of the Patents Committee accompanying the bill does not comply with what is commonly known as the Ramseyer rule, which is contained in section 2 (a) of Rule XIII of the rules of the House.

I call the attention of the Chair to the fact that this is an attempt to amend or repeal certain provisions of existing law, and to come directly to the point, without many words, at the bottom of page 51, we see section 64 of the bill providing—

The provisions of this act apply to existing copyrights save as expressly indicated in this act. All other acts or parts of acts relating to copyright are hereby repealed—

And so forth.

None of these provisions is set out in the report. No connected statement is made with regard to the law repealed or the provisions added to the law and, under the circumstances, I feel that the point of order should be made so that we may have a proper report on this bill if we are going to consider it.

Mr. LA GUARDIA. The gentleman might add that the rule specifically provides that the statute which is to be amended must be contained in the report with such printing arrangement as to show the new matter and the existing matter which is to be stricken out.

Mr. BUSBY. That, of course, was implied in my statement. The very title of the bill itself indicates all of the things I have pointed to and I make the point of order, Mr. Speaker.

Mr. VESTAL. Mr. Speaker, in reply to the gentleman from Mississippi [Mr. BUSBY] and the gentleman from New York [Mr. LA GUARDIA] as to the point of order, I first desire to say it would be practically impossible, if the point is well taken, to comply with the rule for the very reason that the entire copyright law in every respect would have to be set out in this bill and then lines struck through practically all of the bill. This bill is writing a new copyright law to take the place of the copyright law that is now upon the statute books, and it seems to me that the rule mentioned would not apply in this particular case. I do not see how you could comply with the rule.

Suppose it had to do with the Sherman antitrust law and you were writing practically a new law. Does the rule mean that you must set out the entire Sherman antitrust law and then strike a line through all the law?

Mr. CRISP. Will the gentleman yield?

Mr. VESTAL. I yield to the gentleman.

Mr. CRISP. Is not the purpose and effect of the bill to suspend the Sherman antitrust law?

Mr. VESTAL. Not at all; I do not think the gentleman from Georgia has studied the bill. My contention is that the rule laid down in the book upon which the point of order is made has to do only when you are amending a certain section of the law. Then you would set out that section and show the particular amendment. But this bill covers the entire copyright law.

Mr. LA GUARDIA. My interest is in maintaining the rule. The rule does not provide the specific method contained in the report. We had a bill a few days ago and the gentleman could have obeyed the rule by providing in parallel columns the existing copyright law and the new law.

Mr. VESTAL. That could be done, but to do it would comprise a book.

Mr. LA GUARDIA. Not any thicker than your bill.

Mr. BUSBY. Mr. Speaker, I want to say that the rule as adopted is for the very emergency pointed out by the gentleman from Indiana—so that if the House wanted to consider a bill seeking to repeal existing legislation the Members could look down the column and see what it is doing and not go about it blindly in the dark or indirectly. This is a technical bill. I believe it is absolutely imperative that we comply with the Ramseyer rule if we are going to intelligently consider the bill. Let the report comply with the rule and set out what is being done by this bill, and when we give consideration to it we will know what we are about and not go at it blindly. For that reason I say that the point of order should be sustained.

The SPEAKER pro tempore (Mr. TILSON). The Chair is ready to rule.

Paragraph 2a of Rule XIII reads:

Whenever a committee reports a bill or a joint resolution repealing or amending any statute or part thereof, it shall include in its report or in accompanying document—



(1) The text of the statute or part thereof which is proposed to be repealed; and

(2) A comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions proposed to be made.

Section 64 of the bill provides:

The provisions of this act apply to existing copyrights save as expressly indicated by this act. All other acts or parts of acts relating to copyrights are hereby repealed, as well as all other laws or parts of laws in conflict with the provisions of this act.

The gentleman from Indiana argues well that it would be a task of considerable magnitude to do what is proposed here, and yet that seems to be the purpose of the rule that the Member making the report of the committee shall do the work of investigation and submit to the House the information as to what statutes are to be repealed.

On March 17, 1930, a point of order was made against a bill in very much the same situation as this bill, that it did not conform to section 2a of Rule XIII. In that case the Speaker pro tempore, who happened to be the gentleman from New York [Mr. SNELL], chairman of the Rules Committee, that reports this rule, sustained the point of order. It seems to the Chair clear that the ruling then made was correct and that no other ruling can be made here than to sustain the point of order and send the bill back to the committee for a report in accordance with the rule. The Chair therefore sustains the point of order.

#### NURSES' RETIREMENT BILL

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10375) to provide for the retirement of disabled nurses of the Army and Navy, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to take from the Speaker's table the bill (H. R. 10375) to provide for the retirement of disabled nurses of the Army and Navy, with a Senate amendment thereto, and concur in the Senate amendment. The Clerk will report the bill and the Senate amendment.

The Clerk reported the title of the bill.

The Clerk reported the Senate amendment, as follows:

Page 2, line 1, strike out all after "department" down to and including "base" in line 2, and insert "in the grade to which she belonged at the time of her retirement and with retired pay at the rate of 75 per cent of the active service."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, what change does this make in the House bill?

Mr. WOODRUFF. It restores to the bill the provision that was recommended by both the Secretary of the Navy and the Surgeon General of the Army of the United States. It restores to the bill substantially that language which was incorporated in the bill when the committee reported it to the House and when, by unanimous consent of the House, it was agreed to consider the bill. The language of the bill was changed when our colleague from North Carolina, Mr. McSWAIN, asked and secured consent to substitute the language of his bill, which put the nurses on a retirement basis with 75 per cent of their original base pay. This proposes to put them on a retirement basis similar to that of officers of the Army and the Navy.

Mr. LAGUARDIA. That means that the rate of retirement will be what?

Mr. WOODRUFF. It will be what it was intended by the committee and the House to be.

Mr. LAGUARDIA. And this is 75 per cent of the grade held at the time of retirement?

Mr. WOODRUFF. Exactly.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

#### HOW IDAHO IS BENEFITED BY THE NEW TARIFF LAW

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SMITH of Idaho. Mr. Speaker, any person who has given careful and impartial consideration to the subject must realize that the Idaho farmers, as well as the farmers elsewhere in the country, will derive the greatest possible benefit from the tariff bill now pending in Congress when enacted into law.

In no other tariff law during the country's history have agricultural products been so liberally protected.

It is generally true that when the domestic production of an agricultural commodity is less than our normal demands the domestic price will be higher under a protective duty than the foreign price of a comparable commodity.

The normal production of some crops may be sufficient to meet, or even slightly exceed, our normal demands, but in years of adverse weather conditions, or from other causes, the production may drop below our requirements. In such years a protective duty prevents ruinous competition from imports and generally insures the farmer higher prices and may compensate for a small crop.

Agriculture is the most important industry in the State of Idaho. It is of interest to note what the present bill will do for agriculture in the way of increased rates of duty over those in effect under the act of 1922.

The following table shows the increase in tariff rates provided by the new act, as well as the comparison of protection afforded farm products under the Underwood Act, 1913, and the Fordney-McCumber Act, 1922:

Comparison of tariff rates

Commodity	Underwood Act, 1913, Demo- cratic	Fordney-Mc- Cumber Act, 1922, Republican	Hawley-Smoot Act, 1930, Republican	Increase over existing law
Wheat.....	Free.....	30 cents per bushel.....	42 cents per bushel.....	\$0.12
Corn.....	do.....	15 cents per bushel.....	25 cents per bushel.....	.10
Oats.....	6 cents per bushel.....	do.....	16 cents per bushel.....	.01
Barley.....	15 cents per bushel.....	20 cents per bushel.....	20 cents per bushel.....	-----
Rye.....	Free.....	15 cents per bushel.....	15 cents per bushel.....	-----
Flaxseed.....	20 cents per bushel.....	40 cents per bushel.....	65 cents per bushel.....	.25
Buckwheat.....	Free.....	10 cents per 100 pounds.....	25 cents per 100 pounds.....	.15
Alfalfa seed.....	do.....	4 cents per pound.....	8 cents per pound.....	.04
Sweet clover seed.....	do.....	2 cents per pound.....	4 cents per pound.....	.02
Red clover seed.....	do.....	4 cents per pound.....	8 cents per pound.....	.04
Cattle weighing less than 700 pounds.....	do.....	1½ cents under 1,050 pounds.....	2½ cents per pound.....	.01
Cattle weighing more than 700 pounds.....	Free.....	2 cents per pound over 1,050 pounds.....	3 cents per pound.....	.01
Beef and veal.....	do.....	3 cents per pound.....	6 cents per pound.....	.03
Swine.....	do.....	¼ cent per pound.....	2 cents per pound.....	.01½
Pork.....	do.....	¾ cent per pound.....	2½ cents per pound.....	.01¾
Bacon, ham, and shoulders.....	do.....	2 cents per pound.....	3½ cents per pound.....	.01½
Lard.....	do.....	1 cent per pound.....	3 cents per pound.....	.02
Lard substitutes.....	do.....	4 cents per pound.....	5 cents per pound.....	.01
Sheep.....	do.....	\$2 per head.....	\$3 per head.....	1.00
Mutton.....	do.....	2½ cents per pound.....	5 cents per pound.....	\$0.02½
Wool, scoured.....	do.....	31 cents per pound.....	34 cents per pound.....	.03
Poultry, live.....	1 cent per pound.....	3 cents per pound.....	8 cents per pound.....	.05
Poultry, dressed.....	1 cent per pound.....	6 cents per pound.....	10 cents per pound.....	.04
Eggs, fresh.....	Free.....	8 cents per dozen.....	11 cents per dozen.....	.03
Eggs, dried.....	10 cents per pound.....	18 cents per pound.....	18 cents per pound.....	-----
Butter.....	2½ cents per pound.....	8 cents per pound.....	14 cents per pound.....	.06
Oleo and butter substitutes.....	20 per cent.....	8 cents per pound.....	14 cents per pound.....	.06
Cream.....	Free.....	20 cents per gal- lon.....	56.5 cents per gallon.....	.366
Milk.....	do.....	2½ cents per gal- lon.....	6½ cents per gallon.....	.04
Cheese and sub- stitutes.....	do.....	5 cents per pound.....	8 cents per pound.....	.03
Honey.....	10 cents per gal- lon.....	3 cents per pound.....	3 cents per pound.....	-----
Potatoes.....	Free.....	50 cents per 100 pounds.....	75 cents per 100 pounds.....	.25
Beans, dried.....	25 cents per bushel.....	1½ cents per pound.....	3 cents per pound.....	.01¾
Onions.....	20 cents per bushel.....	1 cent per pound.....	2½ cents per pound.....	.01½

The average increase of import duties in the 1930 act as compared with the 1922 act on the above-named farm products is 97 per cent.

Under the flexible provisions of the 1922 act, President Coolidge, by proclamation, increased the duty on wheat from 30 to 42 cents per bushel; butter and butter substitutes from 8 to 12 cents per pound; cream from 20 to 30 cents per gallon. Flax was increased from 40 to 56 cents per bushel by President Hoover in May, 1929.

In 1928 the total value of agricultural products was four times the value of mineral products produced in the State. Of a total population of about 500,000 people in Idaho, 33 per cent actually live on farms and more than 50 per cent of the popula-



tion is classed by the United States census as rural, which includes the population of small unincorporated towns, the prosperity of which is usually determined, to a large extent, by the prosperity of the surrounding agricultural community.

## LIVESTOCK

The important livestock enterprises in our State are cattle, sheep and wool, dairy products, and poultry products. The sales of cattle in 1929 exceeded \$12,000,000, and the total United States imports of cattle during this year amounted to \$20,000,000 in value. These cattle come chiefly from Canada. The imports are comparable in grade to the cattle raised in Idaho. The duty on cattle in the new bill carries an increase of about 60 per cent over the rates in effect at present under the 1922 act. Light cattle come in at a lower rate than heavier cattle. The present bill reduces the upper limit of the light-weight cattle group from 1,050 to 700 pounds, thus, under the new bill, making all cattle weighing from 700 pounds to 1,050 pounds dutiable at a higher rate. Therefore, in effect, the present bill virtually doubles the duty on Canadian cattle.

## SHEEP

Sheep raising is another very important enterprise in the State of Idaho. In 1929 the production of sheep and lambs amounted to \$11,432,000. The duty on sheep has been increased from \$2 to \$3 per head, but since the total value of imports in 1929 amounted to only \$242,000 in value the rate of duty is not very significant.

## WOOL

The production of wool amounted to slightly more than \$6,000,000. In wool, however, we find large imports, amounting to \$42,000,000 in 1929. The new law carries a rate of duty of 34 cents per pound on clean wool, which represents an increase of 3 cents per pound over the present rate. In wool we find the present duty practically fully effective in that the United States price of wool is higher than the London price for the same grade of wool by the amount of duty. In Idaho one out of seven farmers raises sheep and the price of wool is a very significant factor in the agriculture of the State.

The duties on beef, veal, mutton, lamb, and eggs have been increased more than 50 per cent for the benefit of agriculture.

The total value of all crops produced in the State of Idaho slightly exceeds the total value of livestock and livestock products. The most important of the crops are wheat, hay, potatoes, beans, peas, apples, sugar beets, onions, clover seed, and alfalfa seed. Most of these crops in varying degrees come in competition with imports from foreign countries of similar crops or their products. In the following discussion only those crops are taken up having significant tariff problems as far as the State of Idaho is concerned.

## SUGAR

In 1929 Idaho produced 449,000 tons of sugar beets, having a value of \$3,743,000. The domestic producers of sugar have to compete with the large volume of sugar produced in Cuba at relatively low costs. The new tariff bill has increased the duty on raw sugar from 1.76 cents to 2 cents per pound of raw sugar applicable to Cuban imports. This increase is the equivalent of 70 cents on the average refined sugar content realized from a ton of beets. The average price of sugar is relatively low at this time under the present tariff. With the increase provided the price to the consumer would not be relatively higher, and the increase in the tariff will stabilize the sugar production in this country and also avoid the necessity of depending upon the foreign producer for our supply, which we would have to do if the sugar industry in our country is not amply protected.

## BEANS

Idaho produced about 127,000,000 pounds of beans, valued at \$5,800,000, in 1929. During the same year the imports amounted to 95,640,000 pounds, the imports thus fell only a little short of equaling the Idaho production of beans. The new bill increased the duty on beans to 3 cents, from 1½ cents per pound in effect at present under the 1922 act. This is an increase of over 70 per cent. This is a good example of a crop which in years of short crop, owing to low yields caused by adverse weather conditions, increased imports may prevent the farmer from obtaining the higher prices which he might reasonably expect to compensate for the small production. The increase in duty under such circumstances would have a tendency to maintain remunerative prices.

## POTATOES

The value of the potato crop in 1929 exceeded \$20,000,000. Potatoes are bulky and usually are not shipped very long distances, but Idaho is the one State of the West which has been able to ship potatoes to the Atlantic seaboard. During recent years over 300 carloads of Idaho potatoes reached both the New York and Philadelphia markets, 30 carloads going as far east

as Boston. In these eastern markets they come in direct competition with Canadian potatoes. Canada ships yearly to the eastern markets 6,000 to 7,000 carloads. The Idaho potato grower is interested in having the duty on potatoes increased from 50 cents per hundred pounds to 75 cents per hundred pounds in the new tariff bill before Congress.

## PEAS

Idaho produced in 1929 over 86,000,000 pounds of dried peas, and during the same year over 21,000,000 pounds of dried peas were imported into the United States. The new bill increased the duty on dried peas from 1 cent to 1¼ cents per pound, which is a 75 per cent increase.

## ALFALFA SEED

Idaho is one of the leading States in the production of alfalfa seed, production in 1929 amounting to 5,500,000 pounds, coming in competition with practically 1,000,000 pounds of imported seed. The new bill doubles the duty on alfalfa seed, increasing it from 4 to 8 cents per pound. The production of clover seed is only slightly less than that of alfalfa seed, amounting to 4,800,000 pounds in 1929.

## CLOVER

The imports of clover seed during this year amounted to 12,000,000 pounds, valued at over \$2,000,000. The new bill offers a similar increase on clover seed, from 4 to 8 cents per pound. These increases on alfalfa and clover seed should be of considerable benefit to the growers of these seeds.

Wheat, apples, peaches, cherries, and prunes are all dutiable when imported. The United States is normally on an export basis with these crops. That is, we produce more than we consume normally. Should unusual conditions prevail during any year resulting in a deficit crop for any of these commodities, the duty would protect the domestic producer under such circumstances.

The following table shows the imports and the per cent of the value of the imports represented by the duty collected for the items dutiable under the various schedules. Each schedule is intended to group a number of related items. Schedule 7, for instance, includes practically all agricultural crop and livestock products with the exception of sugar, tobacco, and wool, which are reported in separate schedules.

Imports in 1928 by schedules and equivalent ad valorem rates of the tariff act of 1922 and of the pending tariff bill of 1930

Schedule	Title	Imports calendar year 1928, value	Equivalent ad valorem rates based on 1928 imports		
			1922 act	1930 bill	Increase
1	Chemicals, oils and paints.....	\$94,752,897	Per cent 29.22	Per cent 31.40	Per cent 7.4
2	Earth, earthenware, and glassware.....	55,921,814	45.62	53.64	17.5
3	Metals and manufactures of.....	118,658,708	33.71	35.01	3.8
4	Wood and manufactures of.....	52,609,397	7.97	10.49	31.6
5	Sugar, molasses, and manufactures of.....	174,759,643	67.85	77.21	13.8
6	Tobacco and manufactures of.....	62,318,624	63.09	64.78	2.7
7	Agricultural products and provisions.....	322,808,795	19.86	34.00	71.2
8	Spirits, wines, and other beverages.....	1,433,616	36.48	47.44	30.0
9	Manufactures of cotton.....	48,300,609	40.27	46.42	15.2
10	Flax, hemp, jute, and manufactures of.....	133,207,491	18.16	19.14	5.4
11	Wool and manufactures of.....	116,343,426	49.54	59.83	20.8
12	Manufactures of silk.....	32,440,182	56.56	59.13	4.5
13	Manufactures of rayon.....	11,425,596	52.68	53.62	1.8
14	Papers and books.....	20,666,437	24.74	26.06	5.3
15	Sundries.....	327,504,792	21.97	27.39	24.6
	Total or average.....	1,573,152,027	33.22	40.08	20.6

In examining the last column of the table it will be noted that the per cent increase for the agricultural-products schedule is 71 per cent—more than twice the increase accorded any of the other paragraphs. The important schedules covering the raw products and manufactures of metals, tobacco, flax, hemp, jute, silk, and rayon were given increases of only 5 per cent or less; wood and manufactures of wood were given 31 per cent; wool and manufactures of wool, 21 per cent; and sundries, 24 per cent. The sundry schedule covers a great variety of commodities, including hides and leather, furs, toys and sporting goods, beads and pearls, and numerous other items. The farmer should note especially that Schedule 7, agricultural products and provisions, was given an average increase in duty of 71 per cent, while the average increases accorded all the other schedules combined was only 14 per cent. Schedule 5—sugar, molasses, and manufactures of these—was given an increase of about 14 per cent, but it should not be overlooked that under the 1922 act this schedule had higher equivalent ad valorem duties than any other schedule in this act.



## WHAT THE FARMER BUYS

The fact is often overlooked that more than one-half of our imports are free of duty, including such items as coffee, tea, bananas, cocoa beans, rubber, barbed wire, binder twine, and a considerable part of the items that are dutiable are fancy products and may be classed as items of luxury. Furniture, for instance, of which the farmer buys his share—it is dutiable. Most of the imports of furniture, however, are of unusual and fancy patterns and not of the type made in volume by the United States manufacturer and found in the ordinary home. Automobiles and trucks are dutiable, but they are built in such volumes and under such competitive conditions that the purchaser or manufacturer of these is not particularly concerned about the tariff rate on them.

The farmer is the biggest purchaser of farm products, and he is perfectly willing to pay his neighboring farmer a price which will enable the neighbor to pay good wages and possibly prevent his neighbor, because of foreign competition, to switch to the crop or livestock of which he himself is making a specialty.

All agricultural implements and machinery, including cream separators up to a certain value, tractors, milk cans, and all materials used chiefly for fertilizers or chiefly as an ingredient

in the manufacture of fertilizer, fuel oil and gasoline, harness and saddlery up to a certain value, binding twine, and numerous other minor articles which the farmer buys are on the free list.

The development of Idaho has been accomplished through the wise provisions of a protective tariff. Even back in Territorial days protection played an important part in fostering the development of our natural resources and newly created industries. Since statehood we have realized more forcibly than ever that this great doctrine of the Republican Party is as essential to the life of the farming and industrial activities of our country as the air we breathe. This question can never be made a formidable political issue in Idaho. The people thoroughly understand the importance of protection to their stability and prosperity. There is little division of thought between the two parties in the State on its merits.

As I have said, my district is largely composed of farmers. It is to their interest I give first consideration. They have made and are making wonderful progress. This measure will enable them to obtain much-needed aid and assistance which their up-building and expansion efforts so richly deserve. I earnestly hope that this great measure may soon be enacted and receive the President's approval.

*Idaho farm products—Idaho production, United States trade, and comparisons of tariff rates in pending bill and act of 1922 for specified Idaho farm products*

## FARM CROPS

Commodity	Idaho production, 1929		United States imports, 1929		United States exports, 1929		Tariff rates	
	Quantity	Value	Quantity	Value	Quantity	Value	Act of 1922	Pending bill
Corn.....	1,944,000 bushels.....	\$18,827,000	399,138 bushels.....	\$438,292	33,745,270 bushels.....	\$34,058,510	15 cents per bushel (56 pounds).	25 cents per bushel (56 pounds).
Wheat.....	25,515,000 bushels.....	24,354,000	36,263 bushels.....	29,208	90,129,600 bushels.....	111,500,615	30 cents per bushel (60 pounds). <sup>2</sup>	42 cents per bushel (60 pounds).
Oats.....	6,040,000 bushels.....	2,899,000	96,442 bushels.....	35,073	6,608,727 bushels.....	3,389,111	15 cents per bushel (32 pounds).	16 cents per bushel (32 pounds).
Barley.....	5,733,000 bushels.....	3,784,000	1,804 bushels.....	2,296	29,523,077 bushels.....	24,154,866	20 cents per bushel (48 pounds).	20 cents per bushel (48 pounds).
Rye.....	42,000 bushels.....	36,000	275 bushels.....	357	3,433,576 bushels.....	3,612,596	15 cents per bushel (56 pounds).	15 cents per bushel (56 pounds).
Hay.....	2,872,000 tons.....	30,751,000	30,787 tons.....	319,344	11,073 tons.....	267,046	\$4 per long ton.....	\$5 per short ton.
Alfalfa seed.....	5,520,000 pounds.....	846,000	999,358 pounds.....	141,454	825,830 pounds.....	168,257	4 cents per pound.....	8 cents per pound.
Clover seed (red and alsike).....	4,800,000 pounds.....	736,000	Red, 6,181,438 pounds. Alsike, 5,968,422 pounds.	929,477	523,535 pounds.....	91,128	do.....	Do.
Sugar beets.....	499,000 tons.....	3,743,000	37,538 tons.....	246,618	(?).....	(?)	80 cents per ton.....	80 cents per ton.
Potatoes.....	1,028,160,000 pounds.....	20,563,000	240,923,880 pounds.....	3,569,248	164,071,800 pounds.....	3,223,436	50 cents per 100 pounds.	75 cents per 100 pounds.
Beans, dry edible.....	126,960,000 pounds.....	5,819,000	95,639,877 pounds.....	5,358,580	17,473,080 pounds.....	1,162,488	1½ cents per pound.....	3 cents per pound.
Peas, dried.....	86,400,000 pounds.....	3,096,000	21,157,989 pounds.....	801,337	6,859,200 pounds.....	483,963	1 cent per pound.....	1½ cents per pound.
Onions.....	29,754,000 pounds.....	261,000	68,557,218 pounds.....	1,239,675	33,075,561 pounds.....	786,507	do. <sup>1</sup>	2½ cents per pound.
Lettuce.....	480,000 pounds.....	18,000	(?).....	(?)	(?).....	(?)	25 per cent ad valorem.	2 cents per pound.
Apples.....	5,500,000 bushels.....	6,050,000	267,588 bushels.....	480,659	15,674,858 bushels.....	33,138,319	25 cents per bushel (50 pounds).	25 cents per bushel (50 pounds).
Peaches.....	13,824,000 pounds.....	389,000	260,126 pounds.....	12,433	19,947,316 pounds.....	806,111	½ of 1 cent per pound.....	½ of 1 cent per pound.
Pears.....	2,650,000 pounds.....	90,000	2,468,728 pounds.....	298,079	69,995,885 pounds.....	4,831,872	do.....	Do.
Cherries.....	8,000,000 pounds.....	760,000	408,014 pounds.....	41,065	(?).....	(?)	2 cents per pound.....	2 cents per pound.
Prunes.....	50,720,000 pounds.....	558,000			197,227,583 pounds.....	14,837,915	½ of 1 cent per pound (dried).	2 cents per pound (dried).

## LIVESTOCK AND LIVESTOCK PRODUCTS

Commodity	1928		1928		1928		1928	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Milk.....	(?).....	\$17,280,000	4,165,079 gallons.....	\$771,012	180,217 gallons.....	\$103,571	2½ cents per gallon.....	6½ cents per gallon.
Evaporated milk, unsweetened.....	15,251,000 pounds.....	(?)	697,904 pounds.....	50,285	68,942,613 pounds.....	6,844,208	Unsweetened, 1 cent per pound.	Unsweetened, 1.8 cents per pound.
Cheese.....	7,946,000 pounds.....	(?)	76,352,545 pounds.....	22,381,640	2,646,009 pounds.....	735,333	5 cents per pound, but not less than 25 per cent. <sup>3</sup>	8 cents per pound, but not less than 40 per cent.
Butter.....	20,932,000 pounds.....	(?)	2,586,014 pounds.....	965,358	3,724,245 pounds.....	1,750,278	8 cents per pound.....	14 cents per pound.
Poultry.....	(?).....	2,093,000	Live, 1,503,897 pounds. Dead, 5,270,601 pounds. Shell, 307,912 pounds.	355,825 1,538,084 90,602	Live, 448,611 pounds. Dead, 2,472,574 pounds. Shell, 12,074,830 dozen.	301,301 842,303 4,081,363	Live, 3 cents per pound. Dead, 6 cents per pound. Shell, 8 cents per dozen.	Live, 8 cents per pound. Dead, 10 cents per pound. Shell, 10 cents per dozen.
Eggs.....	(?).....	4,410,000	Frozen, 15,528,471 pounds. Dried, 10,923,139 pounds.	2,898,643 5,164,192	325,706 pounds.....	61,644	Frozen, 6 cents per pound. <sup>2</sup> Dried, 18 cents per pound.	Frozen, 11 cents per pound. Dried, 18 cents per pound.
Sheep and lambs.....	(?).....	11,432,000	27,480 (number).....	241,624	15,431 (number).....	211,770	\$2 per head.....	\$3 per head.
Wool.....	(?).....	6,081,000	104,718,871 pounds.....	42,033,741	(?).....	(?)	31 cents per pound of clean content.	34 cents per pound of clean content.
Cows and calves.....	(?).....	12,188,000	240,262,871 pounds.....	20,059,980	3,937 (number).....	146,387	Less than 1,050 pounds each 1½ cents per pound; 1,050 pounds or over 2 cents per pound.	Less than 700 pounds each, 2½ cents per pound; 700 pounds or more each, 3 cents per pound.
Hogs.....	(?).....	6,644,000	613,797 pounds.....	54,698	27,017 (number).....	464,998	½ of 1 cent per pound. Valued at not more than \$150 each, \$30 per head; valued at \$150 or more per head, 20 per cent ad valorem.	2 cents per pound.
Horses.....	(?).....	283,000	2,652 (number).....	715,690	7,358 (number).....	722,202	Same as in the 1922 act except free when imported for immediate slaughter.	
Mules.....	(?).....	42,000	113 (number).....	8,425	15,295 (number).....	1,812,965		

<sup>1</sup> Does not include wheat for grinding in bond and export.

<sup>2</sup> Increased by Presidential proclamation as follows: Wheat to 42 cents per bushel, Mar. 1, 1924; onions to 1½ cents per pound, Dec. 22, 1923; milk to 3¾ cents per gallon May 14, 1929; Swiss cheese to 7½ cents per pound but not less than 37½ per cent ad valorem, June 8, 1927; butter to 12 cents per pound, Mar. 6, 1926; frozen eggs to 7½ cents per pound, Feb. 20, 1929.

<sup>3</sup> Data not available.

<sup>4</sup> Includes all milk for all purposes.

<sup>5</sup> Includes cream.

<sup>6</sup> Includes game.



## AMENDING TRANSPORTATION ACT OF 1920

Mr. SNELL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 244, which I send to the desk and ask to have read.

The Clerk read as follows:

## House Resolution 244

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 962, a bill to amend and reenact subdivision (a) of section 209 of the transportation act, 1920. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SNELL. Mr. Speaker, this is a rule to make in order Senate bill 962, which amends the definition of the term "carrier" in section 209 of the transportation act of 1920. The purpose of it is to allow the Merchants & Miners' Transportation Co. of Baltimore to make a claim in the Court of Claims against the Federal Government for an amount of money that they think is due them under the general guaranty term of six months that is provided under the general transportation act of 1920. I appreciate the fact that this is a controversial measure, but it has been here for some time, and the House itself should determine what we will do with it. I am not going to try to explain the intricate provisions of the bill. We have provided for two hours of general debate, and the members of the committee will discuss the details of the bill itself.

I yield five minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Speaker, ladies and gentlemen of the House, I am not going to discuss the merits of the bill. Many Members are surprised that the bill is disguised as an amendment to the transportation act rather than appearing before us as a private claim bill, which in fact it is. It is nothing more or less than a private claim bill for about \$800,000 for the benefit of the Merchants & Miners' Steamship Co. The only suggestion I have in connection with the bill is that I had hoped it would not be considered to-day. I hoped the proponents of the bill would withdraw it for the present, because only the night before last one of the ships of this same company, the *Fairfax*, met with a horrible accident outside of Boston Harbor, in which 47 people perished. The most serious charges that could possibly be made against a ship have been made against this company in connection with this accident. There will undoubtedly be a Government investigation as to whether or not it is true the crew attacked the passengers with axes and pushed them out of the lifeboats; whether it could possibly be true in the romantic history of the sea that the crew seized the life belts, and the officers rendered no aid in securing order. The bill may be all right, it may be meritorious in spite of its disguise, but when this company comes before Congress asking us for \$800,000 not based on any legal right but solely in equity, asking us to go out of our way and amend a substantive law so that they may get a gratuity of \$800,000, I think the consideration of it ought to be deferred at least until we can find out whether or not they were responsible for the loss of 47 of our citizens.

Mr. SNELL. As a matter of fact, that has nothing to do with this bill.

Mr. O'CONNOR of New York. Oh, yes; it has. This company at this moment faces a governmental inquiry as to the conduct of its business on the sea. On what basis can they now supplicate us to do an extraordinary thing for them?

Mr. SNELL. The fact that they had an accident the other night has nothing to do with this.

Mr. O'CONNOR of New York. They are asking for a gratuity, not a right, and I do not see how in equity we ought to discuss it now. The representatives of the company could with good grace ask to withdraw the bill at this time.

Mr. EDWARDS. The gentleman should not hold the company responsible for some alleged misconduct on the part of its crew on board. There is no dispute about the company having had an accident. It was merely an unfortunate accident on the high seas.

Mr. LAGUARDIA. I will say to the gentleman from New York [Mr. SNELL] that I believe the bill should be considered

on its merits. Why should this bill be singled out from hundreds of other bills on the calendar and camouflaged and disguised as a public bill when it is only a private bill? Why is it not taken up in the regular way?

Mr. SNELL. It is a Private Calendar bill.

Mr. HOCH. This is nothing but a private claim.

Mr. LAGUARDIA. The only way to get at it is to vote down the resolution.

Mr. SNELL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

Mr. LAGUARDIA. Mr. Speaker, I call for a division.

The SPEAKER pro tempore. A division is demanded.

The House divided; and there were—ayes 71, noes 51.

Mr. HUDDLESTON. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Alabama objects to the vote on the ground that there is no quorum present. The Chair will count. [After counting.] Evidently a quorum is not present. A roll call is in order automatically. The Clerk will call the roll. Those in favor of the rule will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 173, nays 138, not voting 117, as follows:

[Roll No. 67]

YEAS—173

Ackerman	Dunbar	Langley	Reece
Adkins	Dyer	Lankford, Va.	Reed, N. Y.
Andrew	Eaton, Colo.	Lea	Reid, Ill.
Arentz	Eaton, N. J.	Leavitt	Rogers
Bachmann	Edwards	Leech	Rowbottom
Beedy	Elliott	Lehlbach	Sanders, N. Y.
Beers	Ellis	Lindsay	Seger
Black	Englebright	Linthicum	Shaffer, Va.
Blackburn	Estep	Luce	Short, Mo.
Bolton	Fenn	McClintock, Ohio	Shott, W. Va.
Boylan	Fish	McCormack, Mass.	Shreve
Brand, Ga.	Fitzgerald	McFadden	Simms
Brand, Ohio	Fitzpatrick	McKeown	Sirovich
Brigham	Foss	McLaughlin	Smith, Idaho
Britten	Free	McLeod	Snell
Brum	Freeman	McMillan	Somers, N. Y.
Burdick	Gambrill	Magrady	Sproul, Ill.
Butler	Garrett	Martin	Stafford
Campbell, Pa.	Gasque	Mead	Stone
Carley	Gifford	Merritt	Strong, Pa.
Carter, Calif.	Green	Michaelson	Summers, Wash.
Carter, Wyo.	Griffin	Michener	Swick
Chalmers	Hadley	Milligan	Swing
Chindblom	Hale	Montague	Taber
Clancy	Hall, Ill.	Montet	Temple
Clark, Md.	Hall, Ind.	Moore, Ohio	Thatcher
Cochran, Mo.	Halsey	Morgan	Thompson
Cochran, Pa.	Hancock	Mouser	Thurston
Cole	Hess	Murphy	Tilson
Cooke	Hickey	Newhall	Wainwright
Cooper, Ohio	Hogg	O'Connell	Watres
Corning	Houston, Del.	O'Connor, Okla.	Whitley
Coyle	Irwin	Palmer	Wigglesworth
Craig	Jenkins	Palmisano	Williamson
Cramton	Johnson, Ind.	Parker	Wolfenden
Crowthor	Johnson, S. Dak.	Perkins	Wolfe, N. J.
Culkin	Jonas, N. C.	Pittenger	Wolverton, W. Va.
Cullen	Kahn	Prall	Wood
Dallinger	Kearns	Pritchard	Wright
Darrow	Kelly	Purnell	Wyant
Denison	Kendall, Ky.	Quayle	Yates
Dickinson	Kinzer	Ramey, Frank M.	
Doutrich	Kopp	Ramspeck	
Drane	Korell	Ransley	

NAYS—138

Allgood	Crisp	Hare	Lucrow
Almon	Cross	Hastings	McClintic, Okla.
Andresen	Crosser	Hill, Ala.	McDuffie
Arnold	Davis	Hill, Wash.	McSwain
Ayres	DeRouen	Hoch	Mansfield
Bacon	Doughton	Holaday	Mapes
Bafrd	Doxey	Howard	Miller
Barbour	Drewry	Huddleston	Moore, Ky.
Blanton	Driver	Hudson	Moore, Va.
Bowman	Eslick	Hull, Wis.	Morehead
Box	Evans, Calif.	Jeffers	Nelson, Me.
Briggs	Evans, Mont.	Johnson, Nebr.	Nelson, Mo.
Browne	Fisher	Johnson, Tex.	O'Connor, La.
Browning	Frear	Johnson, Wash.	O'Connor, N. Y.
Busby	Fuller	Jones, Tex.	Oldfield
Campbell, Iowa	Fulmer	Kading	Oliver, Ala.
Canfield	Gavagan	Kemp	Parks
Cartwright	Glover	Kerr	Patman
Clague	Goldsborough	Kiefner	Patterson
Clark, N. C.	Goodwin	Kincheloe	Quin
Collier	Granfield	Knutson	Ragon
Collins	Greenwood	Kvale	Rainey, Henry T.
Colton	Gregory	LaGuardia	Ramsayer
Connery	Guyer	Lambertson	Rankin
Cooper, Tenn.	Hall, Miss.	Lanham	Robinson
Cooper, Wis.	Hall, N. Dak.	Lankford, Ga.	Rutherford
Cox	Hammer	Letts	Sanders, Tex.
Craddock	Hardy	Lozier	Sandlin



Schafer, Wis.  
Schneider  
Sears  
Seiberling  
Selvig  
Simmons  
Sloan

Smith, W. Va.  
Snow  
Sparks  
Speaks  
Spearing  
Sproul, Kans.  
Stalker

Steagall  
Strong, Kans.  
Summers, Tex.  
Swanson  
Tarver  
Taylor, Tenn.  
Timberlake

Underwood  
Vinson, Ga.  
Warren  
Whittington  
Wilson

## NOT VOTING—117

Abernethy  
Aldrich  
Allen  
Aswell  
Auf der Heide  
Bacharach  
Bankhead  
Beck  
Bell  
Bland  
Bloom  
Bohn  
Brunner  
Buchanan  
Buckbee  
Burtness  
Byrns  
Cable  
Cannon  
Connelly  
Curry  
Davenport  
Dempsey  
De Priest  
Dickstein

Dominick  
Douglas, Ariz.  
Douglass, Mass.  
Dowell  
Doyle  
Esterly  
Finley  
Fort  
French  
Garber, Okla.  
Garber, Va.  
Garner  
Gibson  
Golder  
Graham  
Hartley  
Haugen  
Hawley  
Hoffman  
Hooper  
Hope  
Hopkins  
Hudspeth  
Hull, Morton D.  
Hull, William E.  
Hull, Tenn.  
Igoe  
James  
Johnson, Ill.  
Johnson, Okla.

Johnston, Mo.  
Kendall, Pa.  
Kennedy  
Ketcham  
Kiess  
Kunz  
Kurtz  
Lampert  
Larsen  
McCormick, Ill.  
McReynolds  
Maas  
Manlove  
Menges  
Mooney  
Nelson, Wis.  
Niedringhaus  
Nolan  
Norton  
Oliver, N. Y.  
Owen  
Peavey  
Porter  
Pou  
Pratt, Harcourt J.  
Pratt, Ruth  
Rayburn  
Romjue  
Sabath  
Sinclair

Stedman  
Stevenson  
Stobbs  
Sullivan, N. Y.  
Sullivan, Pa.  
Taylor, Colo.  
Tinkham  
Treadway  
Tucker  
Turpin  
Underhill  
Vestal  
Vincent, Mich.  
Walker  
Wason  
Watson  
Welch, Calif.  
Welsh, Pa.  
White  
Whitehead  
Williams  
Wingo  
Woodruff  
Woodrum  
Wurzbach  
Yon  
Zihlman

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Treadway (for) with Mr. Christgau (against).  
Mr. Gibson (for) with Mr. Peavey (against).  
Mr. Tucker (for) with Mr. Nelson of Wisconsin (against).  
Mr. Bland (for) with Mr. Maas (against).

General pairs until further notice:

Mr. Hawley with Mr. Garner.  
Mr. Bacharach with Mr. Pou.  
Mr. Hooper with Mr. Aswell.  
Mr. Ketcham with Mr. Bankhead.  
Mr. Bohn with Mr. Stevenson.  
Mr. Allen with Mr. Brunner.  
Mr. Kiess with Mr. Wingo.  
Mr. Manlove with Mr. Douglas of Arizona.  
Mr. Connolly with Mr. Yon.  
Mr. Hopkins with Mr. Celler.  
Mr. Beck with Mr. Hull of Tennessee.  
Mr. Menges with Mr. Kennedy.  
Mr. Dowell with Mr. Woodrum.  
Mr. Niedringhaus with Mr. Dominick.  
Mr. French with Mr. Oliver of New York.  
Mr. Harcourt J. Pratt with Mr. Rayburn.  
Mr. Graham with Mr. Abernethy.  
Mr. Sinclair with Mr. Sullivan of New York.  
Mr. Esterly with Mrs. Owen.  
Mr. Vestal with Mr. Bell.  
Mr. Golder with Mr. Auf der Heide.  
Mr. Christopherson with Mr. Byrns.  
Mr. Welsh of Pennsylvania with Mr. Taylor of Colorado.  
Mr. Fort with Mr. Mooney.  
Mr. Nolan with Mrs. Norton.  
Mr. Davenport with Mr. Johnson of Oklahoma.  
Mr. Finley with Mr. Romjue.  
Mrs. McCormick of Illinois with Mr. Bloom.  
Mr. Watson with Mr. Williams.  
Mr. Johnston of Missouri with Mr. Cannon.  
Mr. Buckbee with Mr. Douglass of Massachusetts.  
Mr. Kendall of Pennsylvania with Mr. Hudspeth.  
Mr. Aldridge with Mr. Whitehead.  
Mr. Walker with Mr. Buchanan.  
Mr. Kurtz with Mr. Sabath.  
Mr. Wason with Mr. Stedman.  
Mr. Vincent of Michigan with Mr. Dickstein.  
Mr. Hartley with Mr. Kunz.  
Mr. Tinkham with Mr. Igoe.  
Mr. Haugen with Mr. McReynolds.  
Mr. Zihlman with Mr. Doyle.  
Mr. Porter with Mr. Larsen.

The result of the vote was announced as above recorded.

Mr. PARKER. Mr. Speaker, I move the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 962) to amend and reenact subdivision (a) of section 209 of the transportation act of 1920.

The question was taken; and on a division (demanded by Mr. HUDDLESTON) there were—ayes 155, noes 49.

Mr. HUDDLESTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 962) to amend and reenact subdivision (a) of

section 209 of the transportation act of 1920, with Mr. CHAMTON in the chair.

The Clerk read the title of the bill.

Mr. PARKER. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. HUDDLESTON. Mr. Chairman, the bill is short. I think it should be read. I object.

The CHAIRMAN. Objection is heard. The Clerk will read the bill.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That subdivision (a) of section 209 of the transportation act, 1920, be, and the same is hereby, amended and reenacted so as to read as follows:

"(a) When used in this section—

"The term 'carrier' means (1) a carrier by railroad or partly by railroad and partly by water, whose railroad or system of transportation is under Federal control at the time Federal control terminates, or which has heretofore engaged as a common carrier in general transportation and competed for traffic, or connected, with a railroad at any time under Federal control; and (2) a carrier by water not controlled by any railroad company, or a sleeping car company, whose system of transportation is under Federal control at the time Federal control terminates, but does not include a street or interurban electric railway not under Federal control at the time Federal control terminates, which has as its principal source of operating revenue urban, suburban, or interurban passenger traffic or sale of power, heat, and light, or both: *Provided*, That the claim or claims of any carrier to which the benefits of this section are hereby for the first time made available shall be filed with the commission within 60 days from the date of the approval of this amendment, and shall be allowed and paid as otherwise provided in this act, notwithstanding the provisions of any prior statute or administrative rule, or ruling, of limitation;

"The term 'guaranty period' means the six months beginning March 1, 1920;

"The term 'test period' means the three years ending June 30, 1917; and

"The term 'railway operating income' and other references to accounts of carriers by railroad shall, in the case of a carrier by water not controlled by any railroad company, or of a sleeping-car company, be construed as indicating the appropriate corresponding accounts in the accounting system prescribed by the commission."

SEC. 2. That this act shall be effective from and after February 28, 1920: *Provided*, That the passage of this amendatory act shall in no wise affect any rights or benefits conferred by said subdivision (a) in said original section 209, nor shall the language used herein be construed to exclude any beneficiary embraced within the terms of said original act.

The CHAIRMAN. The gentleman from New York, chairman of the committee [Mr. PARKER] is recognized.

Mr. PARKER. Mr. Chairman, how is the time divided?

The CHAIRMAN. The time is divided equally between the chairman of the committee, the gentleman from New York [Mr. PARKER], and the ranking minority member.

Mr. HUDDLESTON. Mr. Chairman, in the absence of Mr. RAYBURN I claim control of the time.

Mr. PARKER. Mr. Chairman and gentlemen of the committee, this bill has been before the Committee on Interstate and Foreign Commerce for the last 10 years, and this is the first time it has been before the House. It has been reported out of committee several times. It was passed by the Senate the first part of May and came to the House for consideration.

This is an extremely complicated situation. Personally I am very anxious to have this bill before the House and to see it finally disposed of. The committee has conducted hearings on the bill and it has been discussed in the committee with the utmost regularity for the last 10 years.

Mr. SPROUL of Illinois. Will the gentleman yield?

Mr. PARKER. I yield.

Mr. SPROUL of Illinois. Has not the Senate passed this same bill three different times?

Mr. PARKER. To the best of my knowledge the Senate has never passed it before this time.

Mr. SPROUL of Illinois. I understand it has been passed three times.

Mr. PARKER. I will not dispute the gentleman, but I know it was passed in May. Whether it was passed other times or not I will not make a positive statement.

Mr. DENISON. It has passed the Senate once before.

Mr. PARKER. The gentleman from Illinois [Mr. DENISON] corrects me. It passed the Senate once before.

When the railroads and other transportation facilities of the country were taken over during the war, when it was necessary under conditions then prevailing to stimulate and maintain the transportation systems of the country, the railroads were taken



over on the 1st of January, 1918, as you know. For several months there was no law to control or to compensate or to designate what the Government would do toward compensating the owners of the carriers. March 21, 1918, a bill was passed by the Congress which authorized the compensation of all railroads and of all transportation facilities that were taken over by the Government.

The law provided that all railroads or steamship lines which were taken over by the Government could be turned back prior to July 1, 1918. After July 1, 1918, the President of the United States could turn them all back at any time he chose, but, if he was going to turn back a particular road or a particular steamship line, it must be turned back with the consent of the owners of the property.

There were four steamship companies taken over, namely, the Merchants & Miners' Transportation Co., the Clyde Line, and two others. The law said that those steamship lines could be turned back before the 1st day of July, irrespective of whether the people wanted to take them back or not. After the 1st of July they must all be turned back, if the owners were to accept them, without any reservation.

In December, 1918, these four steamship lines were turned back. Three of them, the Clyde Line, the Southern, and another one, agreed to accept the lines back, and they were returned to their owners. The Merchants & Miners' Transportation Co., which plies between Boston and Baltimore, refused to take their lines back. They had to take them back, but they took them back under protest.

Under the Federal control act all transportation agencies were entitled to certain compensation during the time they were under Federal control. The Merchants & Miners took their property back under protest. The Government said it had no obligation. But after the transportation act was passed and final settlement was made with the carriers, the Merchants & Miners' Transportation Co. filed a claim for \$2,700,000. That was referred to a commission, and the commission upheld the contention of the Merchants & Miners, and awarded them \$1,300,000 for compensation during the period up until the 1st of March, 1920, when the railroads were turned back to their owners.

The point in controversy here is that when the transportation act was passed the language was used in the transportation act, "carriers by rail and carriers by water and rail." It did not include "carriers by water" alone. This amendment includes "carriers by water" as well as "carriers by water and rail."

The Merchants & Miners' Transportation Co. maintain that they are entitled to the amount which the railroads got or the steamship lines owned by railroads got during what is commonly termed the "guaranty period"—that is, the six months after the 1st of March, 1921.

Mr. PARKS. Will the gentleman yield?

Mr. PARKER. I yield.

Mr. PARKS. This guaranty which the gentleman refers to was the guaranty which was given carriers after the transportation act of 1920?

Mr. PARKER. Yes.

Mr. PARKS. At the time the transportation act of 1920 was passed this concern had had control of their property for a full year?

Mr. PARKER. Yes.

Mr. PARKS. And prior to that time, while the Government had charge of it, they had paid monthly payments to this company out of the Federal Treasury?

Mr. PARKER. No.

Mr. PARKS. And then they paid \$1,300,000 for the time they had it?

Mr. PARKER. No. I think the gentleman is in error about the monthly payments. I think the payment was \$1,300,000 to cover the whole deficit.

Mr. PARKS. That was exclusive of the deficit?

Mr. PARKER. No. That was inclusive of the deficit. They did not make monthly payments. The testimony before the committee was that the Merchants & Miners were making a profit before the war of \$35,000 a month, and after they were turned back to their owners there was a deficit of \$50,000 or \$75,000 a month.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. PARKER. I yield.

Mr. HUDDLESTON. How much did they receive monthly for compensation? You say they were earning about that time \$35,000?

Mr. PARKER. Yes.

Mr. HUDDLESTON. How much did they receive during the time of Government control?

Mr. PARKER. My understanding is that they received nothing.

Mr. HUDDLESTON. They received \$56,000 a month in place of the \$35,000.

Mr. PARKER. The gentleman, of course, is computing the \$1,300,000—dividing that up into months?

Mr. HUDDLESTON. Yes.

Mr. PARKER. But I do not want that confused with the statement that they received a monthly payment and \$1,300,000 besides.

Mr. HUDDLESTON. I did not mean to convey that impression.

Mr. PARKER. But the gentleman's question, in conjunction with the question asked by the gentleman from Arkansas, might lead the House to believe that.

Mr. HUDDLESTON. The point which I inquired of the gentleman about was whether they did not receive during the period of Government control \$20,000 a month more than they had earned prior to that time.

Mr. PARKER. Oh, yes; but the gentleman must bear in mind that instead of earning a profit there was a deficit of something like \$50,000 or \$75,000 a month.

Mr. HUDDLESTON. Mr. Chairman, there is a good deal of "language" used in this bill, and those who do not understand its real purpose are likely to find it confusing. It is brought forward under the guise of being a general measure, but in reality it is a private bill. Tried by the substance, meaning, and intent of this bill, it would be on the Private Calendar of this House. It is only upon a naked technicality that it has any place upon the House or Union Calendar.

The purpose of this bill is to give to the Merchants & Miners' Transportation Co. some \$800,000 of the public funds. It is to let that corporation into the United States Treasury to the tune of \$800,000. Candor and frankness, if expressed in the language of the bill, would announce its purpose to be to make a donation of Uncle Sam's money to the tune of \$800,000 to this corporation.

There is neither legal nor equitable ground upon which this bill may be placed.

Mr. O'CONNOR of Oklahoma. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. O'CONNOR of Oklahoma. We have been talking so much about taking the profits out of war. Is that what we are trying to do here?

Mr. HUDDLESTON. Yes—the profits of everybody except the great corporations.

It is amazing that such a bill should have been able to command a report from the Committee on Rules. How such a thing could have happened must be beyond the imagination of anybody who is not on the inside. Here we have public measures after public measures by the dozens and by the hundreds filling the calendars of this House. There are many worthy measures making for the public welfare and having in view the common interests of all. These many worthy measures are passed by and ignored because a selfish corporation, without rhyme or reason upon their side, wants to stick its hands into the public till.

We have before my committee, the Committee on Interstate and Foreign Commerce, the Couzens resolution, which is intended to quiet the apprehensions of millions of people of our country who are distressed over the threat of wholesale railroad consolidations. Hundreds of thousands of railroad workers are insisting upon a report upon that bill. But nothing is done about it, forsooth, because "we have not got the time to do it"; we have got to be passing this bill for this corporation.

Here are the unemployment bills, designed to relieve the terrible pressure of unemployment which is falling upon the wage earners of our country. Those bills have been passed by the Senate. The Committee on Rules, with just as much logic, can bring them before the House, but, no; they have no time for that. That is the public's business; that is for the general public welfare; that is for the common good.

Oh, no; the great corporations have no interest in those bills; therefore, away with them. But for a selfish interest measure, for something to put money into the pockets of stockholders, although it is taken out of the funds that the taxpayers have contributed to the Public Treasury, there is plenty of time. Such a measure commands at once the docile support of those who are under the control of the machine of this House. Three times has the Committee on Interstate and Foreign Commerce bowed to this selfish interest and reported this bill, but three times a respectable minority of that committee has energetically dissented and has expressed itself in no uncertain terms upon the measure. It comes before us now with a minority report signed by seven members of that committee.



May I say that, myself apart, the other six are gentlemen of eminent ability, gentlemen of character, whom we all admire. Who are they that dissent upon this bill? HOMER HOCH, CARL E. MAPES, T. J. B. ROBINSON, M. C. GARBER, ROBERT CROSSER, SAM RAYBURN, and myself.

Mr. PARKS, of Arkansas, now interrupts to say that he would have signed the minority report, but he was absent. Not a bunch of radicals, not a collection of corporation baiters, but some of them as conservative as any Members of this House and as able as any Members of this House. They dissented. They dissented, and this is the third time those gentlemen have dissented.

Upon a previous occasion, in addition to the names I have called, we find a minority report signed by J. Stanley Webster, now United States district judge for the jurisdiction of Washington; also signed by Walter H. Newton, now the President's secretary; also signed by ALBEN W. BARKLEY, later elevated by his admiring constituents to a place in the United States Senate. So, we go down the line. Mr. Newton signed two of these minority reports.

Mr. CLARK of Maryland. Will the gentleman yield for a question?

Mr. HUDDLESTON. Former Governor Shallenberger, of Nebraska, when he was a member of the committee, also dissented. I yield to the gentleman from Maryland.

Mr. CLARK of Maryland. Will the gentleman please give me the benefit of his opinion as to whether the term "carrier by water" was intentionally or unintentionally left out of the definition of "carrier" in the transportation act.

Mr. HUDDLESTON. God alone knows. [Laughter.]

Mr. CLARK of Maryland. Has the gentleman any opinion in the matter?

Mr. HUDDLESTON. If the gentleman understood the genesis of the transportation act of 1920, I do not believe he would ask that question. It came from so many sources. It was inspired by some with only selfish motives, and by some who were honorable men. It was such a conglomeration, collection, and hodgepodge that only God knows what, if anything, was in the minds of any of the various men who contributed to that act—except for my faith that He knows everything, I would even have some doubt on that. [Laughter.]

If I had done nothing more during my membership in this House than to oppose the passage of that bill and to criticize it and to vote against it, I would feel I had in some measure shown my worthiness to have been here these 16 years. [Laughter.]

This bill was originally presented to the committee by an able member of the committee, Mr. Everett Sanders, then of Indiana. He championed it. By virtue of his influence he put it through the committee, and strange to say, although he has left us some years, his spirit is still marching on. Perhaps the eminence in public life he afterwards attained had something to do with the continuation of his influence in favor of this bill, and perhaps but for the fact as is reported to me, that Mr. Sanders is pressing it now as a lawyer, the bill would not have been here at this late time.

Mr. JOHNSON of Indiana. Will the gentleman yield?

Mr. HUDDLESTON. Will the gentleman excuse me for just a minute?

Mr. Chairman, some of us are dissatisfied and think a mistake was made in guaranteeing profits to the railroads after the period of governmental control. We opposed it at the time. We oppose the principle of it now. Why will we now go further and extend the vicious guaranty to still another class in addition to those included in the original bill? Why should we recommit this sin and extend it further than it was previously extended?

If we are going to make good to all the people of this country who lost by the war, whatever they may have lost, then we will be many generations in paying the claims which may be presented.

Mr. PARKER. I want to correct the statement which the gentleman from Alabama made, and I have no doubt honestly made. Mr. Sanders stated to me within a month that he did not in any way represent this company.

Mr. HUDDLESTON. May I say that I had the information from a number of the Committee on Rules that it was stated that he did represent the company.

Mr. PARKER. I am making the flat statement.

Mr. HUDDLESTON. I do not know what the facts are. I would not do Mr. Sanders an injustice. My relations with him are very pleasant. I have for him a deep affection.

Mr. PARKER. I assumed that the gentleman did not mean to do Mr. Sanders an injustice, and therefore I make the statement that I do.

Mr. Chairman, I now yield 10 minutes to the gentleman from Connecticut [Mr. MERRITT].

Mr. MERRITT. Mr. Chairman, this is not a bill either for oratory or for denunciation. It is not a bill which should be passed by reference to names which appear either on the majority or the minority report. In its essence it is a simple bill, the facts of which can be stated so that the House can understand them, and I have a high enough opinion of the intelligence of the House to believe that the Members will prefer to vote on their interpretation of the facts rather than on denunciation.

In the first place, this bill is not a private bill. It is a bill which affects one of the greatest acts ever passed in this Congress—the transportation act. The question is really whether this corporation should have been treated like other corporations under similar circumstances by the act. If it was not so treated, whether that was intentional or not, and if the corporation was omitted from the operation of the act by inadvertence, the question is whether in fairness this great Nation ought to allow that corporation to come before the commission and show the facts on which it bases the claim which the bill, if enacted, will allow it to make. That is the whole story.

Another thing comes to mind in reference to the question asked a little while ago in regard to taking profits out of war, intimating that this corporation has made great profits and is seeking additional money, even beyond those profits.

As a matter of fact, this corporation, and the money it received up to March 4, 1920, had a claim, which it thought was a just claim, of \$2,700,000, reduced to \$1,300,000, which did not include any profits and did not include operating losses.

So that after it had received the \$1,300,000, which it got on the 1st of March, 1921, it was still some \$200,000 in the red.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. MERRITT. I yield.

Mr. LA GUARDIA. Does the \$1,300,000 represent the profits or the prospective profits for 22½ months? What was the capitalization of the company or the value of the property involved?

Mr. MERRITT. I do not have that.

Mr. LA GUARDIA. I suppose it was on that basis, or was it on the basis of actual computed loss or losses of prospective profits?

Mr. MERRITT. It had nothing to do with the capitalization or the value of the property, it was based on operating losses.

Mr. LA GUARDIA. The Railroad Administration operated the ships for such a time, and when they operated all the expenses of the operation were paid by the Government. Is not that correct?

Mr. MERRITT. They showed operating losses under the Railway Administration.

Mr. LA GUARDIA. What I am trying to get at is, did the \$1,300,000 represent the losses after the property was returned to them?

Mr. MERRITT. As I understand it, it represented the monthly losses from the time the Railway Administration took it over until March, 1920.

Mr. CLARK of Maryland. Are not those payments based on the average net revenue during the three years just prior to 1917?

Mr. MERRITT. Yes; that was the basis.

Mr. CLARK of Maryland. That was the basis of the \$1,300,000 payment.

Mr. LA GUARDIA. For what period? The period the Government operated or for the period the company operated after the property was returned?

Mr. CLARK of Maryland. The 3-year test period just prior to 1917.

Mr. MERRITT. I have before me a sworn statement to this effect:

The facts are that from the time this company's property was taken over under Federal control, April 13, 1918, to the end of Federal control, February 29, 1920, this company suffered an operating deficit of \$1,526,000, which loss was settled by a compromise with the Director General for \$1,300,000, and the company received not a dollar as compensation for the use of its property during the Federal-control period.

Mr. CLARK of Maryland. Is not the purpose of this bill to give this company the benefit of the six months' guaranty period of the 1920 act?

Mr. MERRITT. That is exactly what it is.

Mr. CLARK of Maryland. Just as the railroads were compensated by that provision?

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. BRIGGS. Although this act is couched in general form, it really applies to only one company?

Mr. MERRITT. Yes.



Mr. BRIGGS. It comes in general form just as if it might include a number. I notice in the minority report it is indicated that there are other water-transportation companies that do not share in the six months' guaranty.

Mr. MERRITT. The reason for that is this: When these carriers by water were taken over by the President, there were four companies. Then the order of relinquishment was made out on December 15, 1918, under the act, the President, according to the contention of the Merchants & Miners' Co., could not return the companies to their owners without the consent of the owners. These other three companies did consent, they were glad to get their lines back for reasons I need not go into, but the Merchants & Miners did not want to get their lines back because they could not afford to take them over.

Mr. BRIGGS. But the fact is they did take them back.

Mr. MERRITT. Under this compulsion, that the Railroad Administration and the Government's own Shipping Board people said that if they did not take the lines back and operate the ships they would put their ships on the same line, which would have been still worse. So they finally arranged to take them back under a distinct understanding that they did so without prejudice to their rights under this act.

Mr. BRIGGS. But the fact remains that the six months' guaranty provision applies only to this one company, the bill being so drafted as to apply only to this one company and not to any other ocean carrier.

Mr. MERRITT. The reason is—

Mr. BRIGGS. Irrespective of the reason, that is the fact.

Mr. MERRITT. It is the fact, but it has no bearing on the justice of this bill.

Mr. LINTHICUM. If the other companies prove that they come under the provisions of this bill, they would benefit just the same as the Merchants & Miners.

Mr. MERRITT. Yes; if they wanted to.

Mr. BRIGGS. The gentleman does not contend that the bill is drafted so anything of that kind will occur?

Mr. MERRITT. No.

Mr. BRIGGS. The bill is so drafted it applies only to the Merchants & Miners'?

Mr. MERRITT. That is right.

Mr. PATMAN. I invite the gentleman's attention to the fact that when this bill was considered in the Senate on April 2, 1930, Senator COPELAND made this statement:

My impression is that there is one other company situated as the company the Senator has in mind. However, I understand the bill is broad enough to take care of that.

Then Senator TYDINGS, who had the bill in charge, answered:

It will take care of every situation of a special character which may arise and will make the law uniform in its application.

So one other case is contemplated under this law.

Mr. MERRITT. Not by us.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. PARKER. Mr. Chairman, I yield five minutes more to the gentleman from Connecticut.

Mr. EDWARDS. Mr. Chairman, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. EDWARDS. If we pass this bill to-day and it is signed by the President and becomes a law, the Merchants & Miners' Co. will have to go to the Interstate Commerce Commission to get this adjudicated, will it not?

Mr. MERRITT. Yes.

Mr. EDWARDS. So it is merely to give them their day in court?

Mr. MERRITT. Yes.

Mr. HOCH. Mr. Chairman, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. HOCH. While that is true and they go before the Interstate Commerce Commission, we settle the liability here, so the only question before the commission would be the amount and the question of fact as to whether they are under Federal control. It is agreed that they were under Federal control.

Mr. MERRITT. I think the statement of the gentleman in effect is correct. That is to say, if they go before the Interstate Commerce Commission, which this bill gives them a right to do, it simply restores them to the right which it was intended they should have when the transportation act of 1920 was passed. This is shown by testimony of Mr. Esch and Mr. Winslow, both former chairmen of the Committee on Interstate and Foreign Commerce, and by numerous letters from those who know the facts.

I will not take time to read these letters, but I have many of them. At the time the bill was drawn in committee, Mr. Clark, of the Interstate Commerce Commission, was present, and he

and several others said repeatedly that this was simply a matter of omission. If the thing had been called to their attention undoubtedly it would have been put in the bill.

The fact that the claim may be large, or the fact that only one company is entitled to it has no bearing on the case, and on every principle of justice this carrier should be treated as every other carrier in the United States was treated, and it should have the same right during the guaranty period. During this period the railroads and this company were running their own lines and ships but under conditions which could not fail to make a loss. That is shown by the fact that two days before the guaranty period expired wages were increased 40 per cent.

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. ARENTZ. Before the Government took them over there were 23 vessels in the fleet. After the Government took them over there were only 14. The gentleman will not contend that this will not affect the amount of money that will be claimed?

Mr. MERRITT. That would be conceded by the commission. I will end as I started, that this is not a case for oratory, but if I had the gift of oratory I should like to impress upon the Members of this House that when they come to vote on this bill they should not remember that it is a corporation, that it is a single corporation, but they should remember that this amendment now proposed should have been part of the great act involving the general transportation of the United States, and that this one individual corporation should have been included and was not. All we want is to get justice for this corporation under that act. [Applause.]

Mr. PALMER. Mr. Chairman, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. PALMER. The statement is made in the report that—

The representatives of the company claimed that the computation of its claim in accordance with the board's decision would have given them an award of \$2,700,000, but they compromised the claim for \$1,300,000 rather than go into the Court of Claims to attempt to obtain the larger amount. They further represented that the company was in such a desperate financial plight at the time that its credit was becoming impaired, and in order to preclude its dissolution it accepted such compromise proposal in preference to the delay involved in further litigation.

Were they not represented by legal representatives? Why should they come in after it has all been settled?

Mr. MERRITT. Because of the facts I have stated.

The CHAIRMAN (Mr. MARTIN). The time of the gentleman from Connecticut has expired.

Mr. STRONG of Kansas. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Kansas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred Members are present, a quorum.

Mr. HOCH. Mr. Chairman and members of the committee, if the committee will bear with me I shall attempt in the opening of my statement to present as clearly as I can and briefly what is involved in this measure. In the first place, let me say I indulge in no personalities; I certainly cast no reflections on my friends and colleagues on the committee who have differed with us who signed the minority report. But I want to say, before I discuss the merits of this measure, that I do not absolve the officers of this company from criticism. On the other hand, I charge that the president of the company made one gross misstatement of fact to the committee in the hearing with reference to the final settlement with this company. I make that deliberate charge and shall submit the proof.

Let me speak of that before I discuss the merits of the measure. Bear in mind that a final settlement was made with this concern one year after the six months' period was up—the final settlement was made on the 27th day of December, 1921. The Federal control of railroads ended on March 1, 1920, and on the 27th day of December, 1921, a final settlement was made with this company growing out of the guaranty period of Federal control; and when the officers of this company were before the committee the question was asked as to whether they had not made a final settlement with the Government on the claims growing out of or connected with the Federal control. I read now from the hearings. Mr. LEA says—

As I understand, you recognize a clean slate to the 1st of March, 1920?

The answer was yes. Then this question was asked:

When that settlement was made was there any agreement that it was to be a final settlement?

Mr. Kent answered "No, sir." Then the next question was—

Was there any reservation of the right to present any future claim?



Mr. Kent answered "No" and then turned to Mr. Stebbins, the president of the company, and Mr. Stebbins answered:

Yes. We expressly reserved in our liquidation agreement the right to claim this six months' guaranteed compensation if Congress should ever authorize us to do so.

The members of the committee had a right to understand, from that answer, that the company expressly reserved the right to make a claim under this six months' guaranty. By way of precaution, after looking over those hearings, when I ran upon that, I went down and procured from the Railroad Administration an official copy of the agreement under which the settlement was made, and I found that there had been no such reservation, either express or implied. I now will quote a further statement; but first let me read the provisions of this settlement. After setting forth the settlement and acknowledging receipt of the final payment on the settlement the agreement then recites that the amount is in full settlement, and I quote the words as follows:

In full satisfaction and discharge of all claims, rights, and demands, of every kind and character, which the said company now has or hereafter may have or claim against the director general, or anyone representing or claiming to represent the director general, the United States, or the President, growing out of or connected with the possession, use, and operation of the company's property by the United States during the period of Federal control, and the said company hereby acknowledges the return to and receipt by it of all its property and rights which it is entitled to, and further acknowledges that the director general has fully and completely complied with and satisfied all obligations on his part, or on the part of the United States, or the United States Railroad Administration, growing out of Federal control.

Mr. LINTHICUM. Will the gentleman yield?

Mr. HOCH. I yield.

Mr. LINTHICUM. I inquired about that myself, and I was told that that was the identical language used in the releases of the railroad companies and of the steamship lines connected with the railroad companies. Has the gentleman looked into that?

Mr. HOCH. I have looked into that.

Mr. LINTHICUM. What does the gentleman find? Did not the gentleman find it to be the same paper exactly?

Mr. HOCH. I say to the gentleman that the president of the company made the statement that there was expressly reserved the right to claim under this 6-month Federal guaranty. If I had time I would read all of this correspondence. I directed a letter to the director general, in which I quoted from the hearings what I have just read to you, and I said further:

APRIL 17, 1930.

I have before me a copy of the settlement in question furnished by your office, its date, September 27, 1921, denominated "final settlement," and I do not find therein any such reservation as the one stated by Mr. Stebbins. Will you kindly advise me whether there was any other settlement or liquidation agreement with the Merchants & Miners' Co. wherein the company "expressly reserved the right to claim the six months' guaranteed compensation if Congress should ever authorize it to do so."

You will understand, as I explained to you, that the issue now arises on an effort of the company to secure an amendment to the transportation act, which will give it the benefits of the so-called six months' guaranty following the period of Federal control.

And in the reply from the United States Railroad Administration, under date of April 23, 1930, saying that the copy was the only settlement agreement, there was added this comment:

In the examination of our file of correspondence and minutes of meetings between the director general and officials of the Merchants & Miners, I have been particularly careful to look for any reference on the part of the company's officials to the question of reserving the right to claim the six months' guaranty compensation if Congress should ever authorize it to do so.

No mention of this subject is made in any of the minutes of meetings or correspondence leading up to the execution of the agreement dated September 27, 1921.

Now, so that there could be no possible misunderstanding about it, since there were two reservations set out in the settlement which you would see, if I read them, have no reference whatever to this matter, and, in order that no one could claim that these two reservations by any indirect means refer to this sort of a claim, I again wrote them, and I said:

MAY 13, 1930.

I thank you for your letter of recent date, together with memorandum from the chief clerk, Mr. W. B. Robinson, relative to the settlement with the Merchants & Miners' Transportation Co.

I do not entirely understand just what is referred to in "exception" (1) in the final settlement of this company, but understand that

neither it nor "exception" (2), which are the only exceptions in the settlement, refer directly or indirectly to any claim under the 6-month guaranty following the period of Federal control.

Kindly advise me whether I am right about this.

I now read from the reply, dated May 15, 1930:

In reply to your favor of May 13, beg to say that neither of the exceptions in the final settlement mentioned by you have any reference directly or indirectly to any claims under the 6-month guaranty following the period of Federal control.

That is just as much a shut and closed case as could possibly be with reference to this provision, and I again charge that the president of this company misled the committee in seeking to make the committee understand that in making final settlement by which they received \$1,300,000, they did reserve the right to make this claim, and this was made 12 months after the 6-month guaranty period had expired. [Applause.]

Mr. LINTHICUM. Will the gentleman yield?

Mr. HOCH. I yield.

Mr. LINTHICUM. I know the president of this company very well indeed. He is a personal friend of mine, and I am quite sure he did not intend to mislead the committee in any sense. I inquired about that very thing which the gentleman from Kansas has mentioned, and I was told that this release which the Merchants & Miners signed was in the identical form of the releases which the railroad companies and the steamship companies connected with railroad companies signed. In fact, they all signed the same kind of an agreement, yet Congress gave them the right to this six months' compensation afterwards. Now, has the gentleman looked into the releases which the railroad companies and the steamship companies connected with the railroad companies signed?

Mr. HOCH. I have not only looked into them but I have discussed the matter with the Railroad Administration, and they have not only said this in writing but they have said to me personally that there was no such claim made, either directly or indirectly, by this company to ever come in and claim this six months' guaranty. [Applause.]

Mr. LA GUARDIA. Will the gentleman yield?

Mr. HOCH. I yield.

Mr. LA GUARDIA. Is it not true that as a matter of law every form of general release is exactly like that?

Mr. HOCH. I think the gentleman is right. I desire to continue my statement and make it as brief as possible.

Mr. LINTHICUM. Will the gentleman yield?

Mr. HOCH. No; I can not yield further.

Mr. LINTHICUM. The gentleman is making a serious charge.

Mr. HOCH. I am making a serious charge, and I recognize its seriousness.

Mr. LINTHICUM. I want the gentleman to answer the question whether he has looked into the releases which the railroad companies signed, and if the gentleman does not find them to be identical with this release?

Mr. HOCH. Of course, I have not examined all of the releases.

Mr. LINTHICUM. Then the gentleman should not make a charge of that kind.

Mr. HOCH. Let me ask the gentleman this: What did the president of this company mean when he said there was expressly reserved in this agreement the right to claim under this six months' guaranty? What does the gentleman from Maryland think of that?

Mr. LINTHICUM. I do not think he was quite discreet.

Mr. HOCH. No. I think he was quite indiscreet and extremely inaccurate.

Mr. MERRITT. Will the gentleman yield?

Mr. HOCH. I yield.

Mr. MERRITT. I have before me a form of release signed by the railroads, which, as I think the gentleman from Kansas and the gentleman from Maryland have both said, is in precisely the same language as the release by the Merchants & Miners' Line.

Mr. HOCH. Will the gentleman read me the dates of some of the releases he has?

Mr. MERRITT. The one I have is the same as the one you have for the Merchants & Miners, and that is September, 1921. I have one signed by a railroad in 1922.

Mr. HOCH. Well, probably that was a final settlement and included the six months. I imagine that the one in 1922 was the final release and that that railroad is not now back here claiming something further. Certainly if they gave a final release, that closed it. [Applause.]

Mr. MERRITT. My point is this: That when the railroads signed their final releases, if it was a final settlement, they would have had the benefit of the guaranty clause. Nobody



claims that as a matter of strict law the Merchants & Miners' Co. can now go into court.

Mr. HOCH. Certainly not, and I expect to discuss that question. But if a railroad entered into a final settlement that released the United States from all claim of every nature whatsoever—to use the exact language, "growing out of or connected with the Federal control of the railroads," certainly they are not back here now asking for something further.

Now I want to briefly go into the merits of this case. What is the issue here? You know that during Federal control of railroads there was what was called a standard-return guaranty, based on the net operating income of the railroads for the test period, which was three years prior to the period of Federal control. We had that standard-return guaranty for all the railroads that were taken over under Federal control. In April, 1918, the President took over four steamship lines. After he had had them for eight and a half months he decided he did not need those steamship lines any more and attempted to turn them back to their owners. Three of those lines agreed to the relinquishment and accepted the return of their lines, but the Merchants & Miners' Co., feeling they were better off in being run by the Federal Government than running by themselves, said, "No; we refuse to take our property back."

Negotiations were entered into with them and an effort was made to get them to take their lines back. Finally—and I want you to get this date, because it is important—on March 1, 1919, they did take their property back. Now, Federal control did not cease until one year later, on March 1, 1920. This concern was only actually run by the Federal Government for a little less than 11 months, and from March 1, 1919, to March 1, 1920, as well as thereafter they had their property without any interference in management upon the part of the Federal Government. Nevertheless, they put in a claim for this guaranty clear up to March 1, 1920, when Federal control ceased. It is true they claimed—as claimants will sometimes claim in court—over \$2,000,000. I think the Government made a liberal settlement with them. It made a settlement under which it paid to this company \$1,300,000 out of the Federal Treasury to cover the period during which the Government ran this shipping line.

Mr. SLOAN. Will the gentleman yield?

Mr. HOCH. Yes.

Mr. SLOAN. I understand the \$1,300,000 was paid as a matter of compromise. Now, does this claimant, the company interested, tender back to the Government that \$1,300,000 in order to put the Government in the same condition and place it was before this settlement was made and which it is now desired to repudiate?

Mr. HOCH. Of course, the question answers itself. The company has not tendered anything back to the Government. They made this settlement for \$1,300,000, and now what do they ask? Under the terms of the transportation act there was provided a six months' guaranty period following the period of Federal control where the guaranty was the same as during the period of Federal control.

They say that if Congress had just worded the language a little differently they could not only have claimed for the whole Federal control period, including the year during which they actually had their property back, but could also come in and claim for the six months, and they are here now asking us to amend the transportation act so as to permit them to come in and make a claim for the six months. As I have said, they made their final settlement 12 months after the 6 months' period had ended.

Mr. DENISON. Will the gentleman yield?

Mr. HOCH. Yes.

Mr. DENISON. When we had the hearings in the committee I was one of those members of the committee who got the impression that their claims under the six months' guaranty period were not involved in the settlement at all.

Mr. HOCH. Certainly the gentleman had that impression, and I say the president of the company misled the committee and he misled my friend from Illinois, and he shows by his question he was misled.

Mr. DENISON. Let me ask the gentleman this question: Was the six months' guaranty period involved at all in the settlement? I have understood that the tribunal which decided the question or made the settlement had no jurisdiction or authority to consider the six months' period.

Mr. HOCH. The six months' guaranty was settled by the Interstate Commerce Commission, and not by the Court of Claims, as some one stated here a while ago. What does the gentleman think the president of that company meant when he referred to it and said that in that settlement they expressly reserved the right to claim under the six months' guaranty.

Mr. DENISON. Even if he made a misstatement or a mistake, of course, that is not entirely conclusive, but if all of

their claims arising out of the six months' guaranty period were in contemplation when they made the settlement, then they have no standing at all, and that is the question I want to get at.

Mr. HOCH. Yes; and I am not hanging my own opinion or decision at all upon the statement made by the president. I am approaching this question solely upon its merits, as a matter of equity. I simply called attention to what was stated to the committee by the officers of this company.

Mr. DENISON. I would like to get the gentleman's judgment on this point, because I am influenced by it. Does the gentleman think that that settlement did include any claim they might have under the six months' provision?

Mr. HOCH. Here is what I think. When two years and a half after they had their ships back they made a settlement, they had no thought of coming in and claiming under this six months' guaranty. [Applause.] But as an afterthought, somebody, and a very clever somebody, conceived the idea that if we just amended the transportation act a little bit they could then come in and claim under the six months' guaranty.

Mr. WAINWRIGHT. Will the gentleman yield for a question on that point?

Mr. HOCH. I yield.

Mr. WAINWRIGHT. I wonder if the gentleman is going to discuss the question of whether carriers by water were omitted by inadvertence or by design from the original transportation act?

Mr. HOCH. I want to meet that question squarely. I concede that it is entirely possible, and it may even be probable, that if at the time the six months' guaranty provision was written in the transportation act they had thought about the language as affecting a concern like this, they might have worded it so that as a matter of fact this company could come in under the law. But I come to the fundamental question, and that is that even if it had been written into the law, would it be a fair and a just thing to come to the Government for this claim? That is the issue here.

Mr. EDWARDS. Will the gentleman yield?

Mr. HOCH. Yes.

Mr. EDWARDS. Did not Mr. Winslow, who is a former chairman of the committee, state at the hearings that the rights of this company or companies coming in this category were simply overlooked in the act?

Mr. HOCH. Mr. Winslow made an honest statement. It is entirely possible, and probable, that they overlooked writing the particular language that this company would now like to have written. The question here is, Are they, in justice and in equity, entitled to this amount, and not what might have been written into the law at that time? [Applause.]

Mr. EDWARDS. Will the gentleman permit one other question?

Mr. HOCH. Yes.

Mr. EDWARDS. Did not the hearings also show that at the time this alleged settlement was made the officers or attorneys, or whoever appeared representing this steamship company, then represented that the company was in such a desperate financial plight at that time that they were forced into this settlement in order to keep from being brought into court on account of the delay?

Mr. HOCH. Oh, the gentleman, of course, knows that frequently claimants who make a settlement claim that they really ought to have had more than they got; but I say that this company was actually run by the Government for ten and a half months, and if you figure it on the basis of ten and a half months they have already received out of the Federal Treasury \$118,000 for every month that the Federal Government actually ran their property.

Mr. PARKS. Is it not also the fact that the Government had the line less than eight months but actually paid them for twenty-two and a half months?

Mr. HOCH. They paid them in the compromise clear up to March 1, 1920.

Mr. MOUSER. Will the gentleman yield?

Mr. HOCH. Yes.

Mr. MOUSER. Is it not a matter of law that you can not vary the terms of a written contract by parole or oral evidence unless fraud enters into the matter? They are presumed to have been represented by counsel and to have read this release, and we can not say they were ignorant of the contents of the release; is not that correct?

Mr. HOCH. I have examined a pile of correspondence about the matter which is about this high [indicating], and it is plain they knew what they were about when they made the settlement.

Mr. ADKINS. Will the gentleman yield?

Mr. HOCH. Yes.

Mr. ADKINS. With respect to the statement on page 3 of the report about the loss of \$50,000 or \$75,000 a month by reason



of the diversion of business, can not that claim be made by practically every activity in the country at that time?

Mr. HOCH. Certainly, it can by many, and that is what I want to come to now—the merits of this measure. They have already received a liberal settlement from the Government. In my judgment, they are far better off financially than they would have been if the Federal Government had not taken them over. I do not think this can be questioned.

Mr. ADKINS. One more question. Is it not fair to assume that the value of the 10 or 15 ships they sold to other lines was enhanced because of the war and that they made a pretty good profit on them?

Mr. HOCH. Yes. They had 23 ships, and all but 14 had been sold at the very high prices then prevailing, and this included many of their best ships. They were sold for ocean travel before we got into the war, and you all recall the prices were bringing at that time, and when they were taken over they had 14 instead of 23.

Now, there has been talk here with respect to these other companies and about this company being the only one. Let us look at that question a moment.

Here are three other companies that did what I think was the fair thing. When the Federal Government tried to relinquish their property, they said, "All right; we will take our property back if the Government wants to relinquish it." They never got anything out of the Federal Government for the later period for which this company got their money.

Now, if we are here to do justice and equity, shall we come in here now and penalize the three steamship companies which voluntarily acceded to the Government's relinquishment, and grant this bacon to that one company which agreed to the Government's terms? [Applause.]

If we are proceeding here on a matter of equity, and no one contends there is any legal liability, because if there were this bill would not need to be here—if we are proceeding on a matter of equity, then I say that all the more we ought to put the other three steamship lines under the Federal guaranty for the six months as well as for the remainder of the Federal-control period for which this company has already collected from the Federal Government.

Equalize the injustices and inequalities of the war! Why, of course, we can not do that. This ship company may come in and claim that as a result of war conditions they did not have as good business as they had before. If we start a journey upon that road, where will we get? Why, there are a thousand such cases. There is not a man here who does not conjure at once from his own knowledge cases where people suffered as a result of the conditions of war.

I come from a great wheat State, and I will give you one instance with respect to wheat in my State, which is the greatest wheat State in the Union, I may say in passing. Within 24 hours during the war the Government took 50 cents a bushel off the price of wheat; not just for wheat that was to be produced the next year, but for the wheat that was then in the bins of the wheat farmers of this country. By one act, in 24 hours, the Government brought the price of wheat down 50 cents a bushel. The Government confiscated 50 cents on every bushel of wheat held by every farmer in America. I am not here to discuss the merits of that. Let us concede, simply for the purpose of argument, that it was justified as a war measure. Suppose we assume that it was necessary under the conditions when we were in war. As a matter of equity, then, shall we not come in now and instead of giving this concern, which has already had \$1,300,000 out of the Federal Treasury for ten and a half months' operation, shall we not come in and do justice to the wheat farmers of Kansas, Nebraska, Minnesota, and some other States? What do the proponents of this measure say about that?

Mr. SPARKS. Will the gentleman yield?

Mr. HOCH. I yield.

Mr. SPARKS. Were not there thousands of boys who enlisted in their country's service who made great financial sacrifices, and in making it gave up all they had to serve their country in its hours of distress?

Mr. HOCH. That is, of course, true, and everyone knows that we can not attempt to equalize all the burdens of war operations. The only basis in equity is not what might have been written in this law if some one had thought about it, or what some railroad or other company got, but what is just and fair now. If we do this, why ought we not to equalize the wheat farmers and the scores of other interests who suffered grievously under war conditions?

No, my friends, it is no time to open up the door some more. Heaven knows the door was opened wide enough during the period of war and afterwards. [Applause.] It is time to close the door.

Something has been said about what happened in another body. I regret that parliamentary usage prevents my referring to the other body. I only hope, if you are interested, that you get a certain publication in which you will find certain conversations that took place on a certain measure passed by a certain body. If you do, you will find the statement that this is not an amendment to the general law, but that this is merely an amendment to a special act of Congress back in 1920. The fact is, of course, that this measure instead of amending some special act proposes to amend the transportation act which is the fundamental railroad law of the land. You will find another statement to the effect that the bill had twice passed the House and that, of course, it ought to pass some other body. The fact is, it never passed the House. If you will read all the conversation you will never find the words "Merchants & Miners" in the whole colloquy, or any reference to the \$800,000 the bill would take from the Treasury.

Someone has said that this is to refer it to the court. Do not be deceived. This settles the issue. The only question not already determined before the Interstate Commerce Commission will be whether it is to be \$800,000 or maybe they can shave it down to \$775,000. That will be the only question.

So do not vote on the theory that they ought to have their day in court. We are finding for the plaintiff if we pass the bill, and it will be like that old story of the justice of the peace who said, "I will now hear all the evidence, after which I shall bring in a decision for the plaintiff."

I thank you. [Applause.]

Mr. PARKER. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, I shall endeavor to make as fair statement in this matter as it is possible to make. I want gentlemen on the floor of the House to understand that I am a friend of the president of this company, and I am a friend of the company, and I am proud of this great company which originated in the city of Baltimore. It has been in operation for many years; in fact I do not know how long. It plies between Baltimore, Savannah, Jacksonville, and Boston, and, I think, Portland, Me.

The whole question involved, it seems to me, is as to whether Congress wants to treat this company as it did other companies under the act of February 1, 1920.

Now, the gentleman from Kansas has spoken of the company not wanting to take its boats back from the Government. The company was not bound to take back the boats under the act, and it finally did so upon the request of the Government. I talked with them about that question and they said that the reason for that was that the Government was operating all of the railroads and that the railroads paralleled their business along the Atlantic seaboard; that they could not compete with the Government. The Government controlled, managed, and ran the railroads and the steamships with which they were associated along the Atlantic seaboard. They did not want to take the boats back because they could not compete with the Government. Then it is shown that when they did take them back, that because of this competition and the condition of the boats after they had been under the Government control, there was a tremendous loss of revenue.

Mr. GARRETT rose.

Mr. LINTHICUM. Let me get through and then I will yield to the gentleman. Gentlemen can realize just what shape their boats must have been in when they had been carrying soldiers and everybody necessary for the operation of the war during the 11 months the Government had them under its control. We passed the national defense act on August 9, 1916. We did not then make any provision for compensation to the railroads or anyone else. We merely provided at that time for the taking of private property for public use, and we knew that we would have to compensate them. On March 21, 1918, the Congress passed what was known as the Federal control act, which determined the relations between the Government and the carriers, and which determined that the compensation of these carriers which were under Federal control should be measured in the terms of their net earnings during the so-called test period of three years prior to June 30, 1917. On April 11, 1918, the President requisitioned four independently owned water lines. They were the Clyde Line, the Mallory Steamship Co., the Southern Steamship Co., and the Merchants & Miners. Gentlemen ask why we are not taking care of the other steamship companies. My understanding is that the other steamship companies were perfectly satisfied with their settlements. They had different routes, the Government was not in competition with them, and they were doing a very fine business and were glad to get their boats back, but the condition of the Merchants & Miners when they took theirs back not only was that they



were in bad condition but they had Government competition and low rates fixed by the Government.

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. GARRETT. What was the condition of the lines that took their property back with reference to competition with railroads along the seaboard? Did the Mallory Line and all of the others operate around the entire Atlantic coast just as this company did?

Mr. LINTHICUM. No. I imagine their boats were not in very good condition either, and I imagine the settlements they got were based upon that fact. We come now to the act in which we are most vitally interested at this time. On February 28, 1920, Congress decided to relinquish all lines, as they had a right to do under the Federal control act of 1918, and Congress passed the transportation act of 1920.

If there is anyone here who is sorry that he voted for that act, then he does not have to vote for this; but the fact that we did put that on the statute books gave to the railroad companies and the steamship lines connected with the railroad companies this six months' guaranty after the lines were turned back. This is the question: Do you want to do the fair thing by the Merchants & Miners' Transportation Co. just as we did with the railroads and the steamship lines connected with the railroads? If the steamship lines connected with the railroads were entitled to the six months' guaranty, why is not this independent line? There were not many of you gentlemen here around the Sixty-third and Sixty-fourth Congresses, but those of you who were will remember that we passed an act which specified that steamship lines and railroad lines should dissolve their connection and separate, and now, if we do not pass this bill we penalize the company because it is independent and because it obeyed that law and did separate. It seems to me that if the railroad companies and the steamboat lines connected with the railroad companies were entitled to the six months' guaranty, then this independent line is entitled to it. The whole effort of Congress has been and the whole effort of the House of Representatives, in particular, has been to try to have independent transportation companies, so that you may have competition; and here is a company which is independent, and it seems to me, because it is independent and fighting its own battles, because it is competing with the railroad companies, that it is entitled to the same treatment the other companies received under that transportation act of 1920. If we amend this act and provide that not only railroads and steamship lines connected with railroads but independent steamship lines taken over by the Government should come under the act, then and not until then could they take their case to the Interstate Commerce Commission. I do not know whether it is \$800,000 or \$400,000; I do not know what it is. But give them a chance to take their case, just as you gave the others a chance to take their case before the Interstate Commerce Commission and have it decided by that commission.

Mr. O'CONNELL. Is not the amount to be fixed by the Interstate Commerce Commission?

Mr. LINTHICUM. Absolutely; and the company must prove it.

Mr. O'CONNELL. It is just like going before the Court of Claims.

Mr. EDWARDS. To clean up that question of the six months, as to whether it was included in the settlement or whether it has not been included, my idea is that it has not been included.

Mr. LINTHICUM. Of course not, because the law did not provide for an allowance of six months' guaranty to independent water lines. They could not release a right they had not.

Mr. EDWARDS. And the purpose of this bill is to permit the Interstate Commerce Commission to consider whether or not it should be included.

Mr. LINTHICUM. Exactly.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. PARKER. Mr. Chairman, I yield the gentleman seven minutes.

Mr. LANKFORD of Virginia. The \$1,300,000—was that in the nature of charter money for this line during the time the Government had it?

Mr. LINTHICUM. It was based on the earnings of the company, on the ratio of the earnings of the company for the three years prior to June 30, 1917.

Mr. LANKFORD of Virginia. During the test period?

Mr. LINTHICUM. Yes.

Mr. LANKFORD of Virginia. This receipt you referred to a moment ago expressly says, "during the time of Government operation."

Mr. LINTHICUM. Yes.

Mr. LANKFORD of Virginia. There is nothing stated about this 6-month period.

Mr. LINTHICUM. They were not included because the law did not extend this time to the independent steamship company.

Mr. LANKFORD of Virginia. They were given the six months, were they not?

Mr. LINTHICUM. They were paid for the time of Government operation, and the same release which that steamship company signed was signed by all the other companies and the railroads and yet the railroads and railroad-controlled steamships got the six months' additional guaranty. That is what I wish under this bill for this independent company.

Mr. HOCH. Mr. Chairman, will the gentleman yield there?

Mr. LINTHICUM. Yes.

Mr. HOCH. The gentleman does not mean to say that this was sent to all the steamship companies?

Mr. LINTHICUM. No.

Mr. GARRETT. What were the other companies accepting?

Mr. LINTHICUM. They were accepting this settlement based on their earnings prior to June 30, 1917.

Mr. HOCH. They are not withdrawing any claims at all.

Mr. LINTHICUM. The gentleman and I do not agree. Moreover, I do not understand his question.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. SCHAFER of Wisconsin. Is there any good reason why we should pass this bill and give this company the benefit of the six months, and not pass a bill giving other steamship companies the same benefit?

Mr. LINTHICUM. There is a law covering the railroads and steamship lines controlled by railroads, but not steamship lines which are independent.

Mr. SCHAFER of Wisconsin. And this is the only independent steamship line?

Mr. LINTHICUM. This is the only steamship line which is covered by this bill so far as I know, but if there are any in like circumstances I see no reason why they are not covered by the terms.

Mr. SCHAFER of Wisconsin. I understood that there were three other steamship lines. If it is a matter of principle that we give this company this guaranty, as we gave it to the railroads, then should we not extend it to the other steamship lines?

Mr. LINTHICUM. I think that every company under the control of the Director of Railroads should have been given the same consideration as were given to the railroads and to the steamship lines connected with the railroads.

Mr. CLARK of Maryland. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. CLARK of Maryland. There is no mention made of the Merchants & Miners Line in this bill. The words of the bill are simply "carrier by water." We cover all carriers by water.

Mr. LINTHICUM. Exactly so. Former Chairman Winslow, of the Interstate and Foreign Commerce Committee, says this matter was not brought to his attention. He says that this company ought to have been taken care of, and that if it had been brought to the committee's attention it would have been taken care of. Mr. Clark, chairman of the Interstate Commerce Commission, said:

I think it sufficient to say that if we had thought of it, if any of us had foreseen the situation, water carriers like this one would have been included in the guaranty clause.

Mr. Winslow asked Chairman Clark, of the Interstate Commerce Commission:

Can you see any injustice that would be involved by the passage of this bill?

And Mr. Clark replied:

No; I can not. I can not see, speaking for myself, any injustice in treating a water line whose property was taken over by the Government for war purposes any differently from the treatment of railroads taken over during the same period and for the same purpose.

Mr. McCORMACK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. McCORMACK of Massachusetts. Did I understand that the company did not make its claim, and that if it had made it they would have been included?

Mr. LINTHICUM. The Interstate Commerce Committee was so sure that the Merchants & Miners' Co. was included that they sent forms for the six months to the Merchants & Miners' Co.,



and the officials of that line filled in the form and sent it back to the Interstate Commerce Commission just as though they were included.

Mr. LAGUARDIA. What was that date?

Mr. LINTHICUM. Soon after the act of 1920, I should imagine. The 6-month guaranty was not, however, considered.

Mr. LAGUARDIA. Prior to the settlement?

Mr. LINTHICUM. The settlement was not made until September 27, 1921.

Now Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. LINTHICUM. I yield back the balance of my time.

The CHAIRMAN. The gentleman has one minute remaining.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield to me for a question?

Mr. LINTHICUM. Yes.

Mr. MONTAGUE. Judge Sims, a member of the Committee on Interstate and Foreign Commerce at that time, subsequently the chairman of the committee, stated in the hearings—

It is but simple justice to treat alike all persons who suffered a loss. Why should not the Congress do that? We have the power. There is no question about that. It is not unconstitutional to do justice. Why not do justice to the water lines as well as the rail lines?

Mr. LINTHICUM. Yes. That was the statement of Judge Sims, who was in favor of this measure.

I wish to further state my position on this bill, as follows:

First. From the hearings it appears very certain that this committee had no intention of excluding the Merchants & Miners' Transportation Co.

This fact is made clear by Chairman Winslow, in hearing on 7100 (67th Cong., 1st sess., p. 18), when in replying to the question, "Why was this company not included within the terms of the transportation act," he said:

I think I am as well qualified, probably, as anyone to answer that question, in view of my service on the committee during the consideration of the bill. As a matter of fact, neither during the work of the committee in its preparation of the bill nor in conference did anyone ever think of that. It was never brought up and nobody thought of it.

And Chairman Clark, of the Interstate Commerce Commission, in hearing on 15963 (66th Cong., 3d sess., p. 14), said:

\* \* \* I think it is safe to say that if any of us had thought of it, if any of us had foreseen this situation with regard to water carriers like this one, they would have been included in the guaranty from the start.

Secondly. Disinterested witnesses appearing at those hearings, and who were qualified to give information, were in each instance in favor of the bill.

In hearing on H. R. 15963 (66th Cong., 3d sess., p. 11), Mr. Winslow asked Chairman Clark, of the Interstate Commerce Commission:

Can you see any injustice which would be involved by passing this bill?

And Mr. Clark replied:

No; I can not. I can not see, speaking for myself, any justice in treating a water line whose properties were taken over by the Government for war purposes any differently from the treatment accorded to a railroad taken over during the same period and for the same purposes.

Mr. WINSLOW. And, conversely, there would be no justice?

Mr. CLARK. Obviously so.

On page 34 of same hearing, Mr. E. M. Alvord, assistant to the Director General of Railroads, was asked by Mr. Dewalt:

Do you consider it a matter of equity and justice that they should be included?

And Mr. Alvord replied:

I would so consider it.

In the hearing on H. R. 7100, page 33, the chairman asked Mr. Frank C. Wright, Assistant Director General of Railroads:

The CHAIRMAN. Mr. Wright, can you speak directly to the proposition of this bill, as to what the administration or anybody connected with it, or maybe myself, may think in regard to its merits?

Mr. WRIGHT. The merits of this relief bill?

The CHAIRMAN. Yes.

Mr. WRIGHT. I feel that the Merchants & Miners is entitled to relief unquestionably for six months after March 1, 1920. \* \* \*

Third. It is a noteworthy fact that twice a bill for this purpose was favorably reported by this committee in 1921, while the circumstances surrounding this subject was still fresh in mind and after very full hearings.

Note the following from one of the committee reports:

The committee is convinced that every reason justifying the extension of the guaranty provisions to the carriers defined in section 209, as originally approved, is equally applicable to the independent water lines of which the Merchants & Miners' Transportation Co. is representative.

Fourth. While the fact that the administration took this line obligated itself to treat it the same as any other line so taken, nevertheless it is worth remembering that the line was of great value to the Nation in time of need.

Mr. Frank C. Wright, assistant director, hearings on 7100, page 30, in reply to question by Mr. GRAHAM, "What link in the system did the Merchants & Miners' Transportation Co. contribute?" said:

Mr. WRIGHT. Well, the Merchants & Miners' Transportation Co. operated lines between Boston and Providence and Norfolk and Baltimore, which excluded their two lines from Baltimore and Philadelphia to Jacksonville. The lines which constituted the detour lines around this railroad congestion which I have spoken of, from Hampton Roads and Boston and Providence, were very important. The bulk of the cartridges were made in New England, and Hampton Roads was the second largest embarkation port. That answers that.

There was a very large movement of marines and sailors between New England and Hampton Roads in both directions; all the time the boats ran full of soldiers, sailors, and marines. It was a very great thing to be able to bring merchandise to Norfolk from the South, turn it over to that boat line, and get it to New England as against letting that car pile up in this log jam we had. It might have been months in going through. There was no such thing as getting it through New York City; it would have to go around through Harrisburg, Scranton, Wilkes-Barre, and across the river at Albany or up through eastern Pennsylvania and across the river at Poughkeepsie. In either event you would have had to move that car of southern products through four lines which had their ends piled full, and there would have been a cross current in the crossing of two very heavy streams of traffic in a very narrow place. So that the taking over of these boat lines did materially relieve the situation as between Hampton Roads and New England. New England at the time was producing the tent cloth, the overcoating, the underwear, the cartridges, a great deal of the chemicals, and rifles. I think we had one rifle plant at Eddystone, Pa., but a large majority of the small arms were made in New England. We had the same situation as to coal. We had to make sacrifices in order to keep that flow of coal going into New England or we would have slowed down the industries on which the Army and Navy were depending.

Fifth. The point has been raised that this company had control of its lines for a year prior to end of Federal control, and that some benefit might have accrued to the company by reason of this fact; but that this was impractical, in fact impossible, was clearly explained by Mr. Stebbins, president of the company, in his statement before the subcommittee on May 18, 1928, page 37 of that hearing on this bill.

And on this point note following extracts from hearing on 15963 (66th Cong., 3d sess., p. 15):

Mr. SANDERS of Indiana. The reason I asked that question, when the six months' guaranty was under consideration, we concluded that it would take about six months to fix a proper schedule of rates, and pending that time they should not be left with the hopelessly inadequate rates that had been fixed by the railroad administration. I was wondering if this carrier was in the same situation as the other carriers with respect to that period of six months.

Mr. CLARK. It was in so far as its rates were common or joint with any railroad company or in so far as the traffic was covered by an agreement for through carriage. I think I should state that while its all-water rates port to port are not under our jurisdiction, the company is required to include all of its earnings from that business in its annual reports to the commission. They are all included in the balance sheet in a computation as to the water line's operating returns.

Mr. SANDERS of Indiana. This carrier if it were under Federal control, or if it concluded that it was under Federal control, had no chance to apply for higher rates to the Interstate Commerce Commission prior to the termination of Federal control?

Mr. CLARK. Operating in connection with railroads that were under Federal control and that had a common line of rates with other carriers during the period within which it operated these boats after the relinquishment and prior to the termination of Federal control, and in so far as its rates are concerned for the guaranty period, it was controlled by the provisions of the law as to rates in common with railroads and by the competitive conditions that would control its all-



water rates. I suppose that with regard to its operating expenses it was up against the same general condition that everybody else was.

And on page 13, same hearing, Mr. Clark said:

As I have pointed out, the company took back the properties on March 1, 1919, under protest and with a stipulation agreed to by the Director General that that action should not prejudice the rights of the Merchants & Miners' Co.

In expressing the views of those advocating this measure on the propriety of approving same, note the following language of Mr. Sims, a former member of this committee, which can be found on page 15 of this same hearing (15963):

It is but simple justice to treat all persons who suffered a loss alike. Why should not Congress do that? We have the power. There is no question about that. It is not unconstitutional. It is not unconstitutional to do justice. Why not do justice to the water lines as well as to the rail lines?

If it was a fair and just obligation Congress acknowledged in passing section 209 of the transportation act, and it was; then by the same token and by the same process of reasoning, we are under obligation as a matter of right and justice to pass this bill, otherwise we let stand an injustice, even though it occurred through an inadvertence.

Mr. PARKER. Mr. Chairman, how does the time stand?

The CHAIRMAN. The gentleman from New York has 15 minutes, and the gentleman from Alabama [Mr. HUDDLESTON] has 15 minutes.

Mr. HUDDLESTON. Mr. Chairman, I have just received a telephone call from Mr. Everett Sanders, to whose connection with this bill reference was made in debate. He assures me that he has never had any financial connection with this bill and does not represent the beneficiary as an attorney.

I have no reason whatever to doubt Mr. Sanders's word beyond what I said this morning, and I do not doubt it. I want to do him the justice of making the correction.

I yield five minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Chairman, the essential facts relating to this claim I think have been very forcefully and very clearly presented. I wish to add just a word, perhaps, in emphasis of what has already been said. Of course one of the reasons for extending the guaranty period to the railroads for six months after their release from Federal control, as is well known, was to give them an opportunity to readjust themselves and to get under way again under private management after having been under operation by the Government. That reason did not apply to the Merchants & Miners Transportation Co., which seeks relief by this legislation, because the Merchants & Miners' Transportation Co. had been privately operated for a full year before the release of the railroads from Federal control. Furthermore, it was under Federal control only for 10½ months in all, and for three months of that period it was under Federal control, because of its own insistence and refusal to take back its property. So that the Federal Government had control of the Merchants & Miners' Co., by voluntary action of the Government for seven and one-half months only. The Government continued to operate the ships of the company for about three months more because the management of the company refused to take them back, but the management did take them back, resumed their operation and had complete control of all the property of the company for a full year before the release of the railroads from Federal control. So that the same equities do not apply for giving this steamship company the benefit of the guaranty period as applied to the railroads.

I wish to emphasize the fact once more that the law as it stands did not give steamship companies independently operated or which were not connected with railroads, the benefit of the guaranty period at all.

We have to expressly amend the law, to broaden it, in order to include this company, and one of the compelling reasons for giving the railroads the benefit of the guaranty period does not apply to the Merchants & Miners' Co., because, as I say, the Merchants & Miners' Co. had control of its own property for a year before the release of the railroads. Without this amendment it had had twice as long to adjust itself to private management after being released by the Government as the railroads were given to adjust themselves after being released from Federal control.

It is no unusual thing for short-line railroads especially to claim benefits under the Federal control act and the guaranty period which were given to the railroads in general that were under Federal control and management. Many such claims were rejected or compromised by the Railroad Administration and the Interstate Commerce Commission. This claim has been threshed out before the Federal Railroad Administration and the Inter-

state Commerce Commission the same as these others have been, and settlement of it has been made the same as has been made of multitudes of other claims as the gentleman from Kansas [Mr. HOCH] has pointed out. This company put in its claim before the Federal Railroad Administration, or the Interstate Commerce Commission, and a board of referees appointed by the Interstate Commerce Commission allowed it \$1,300,000 in full settlement as has been shown. That was not done by the Court of Claims, as has been stated, but it was done under proceedings of the Interstate Commerce Commission. The Interstate Commerce Commission appointed a board of referees to especially pass upon this particular claim.

Now, this company is clearly outside the law as it stands. In order to support this legislation we have to hold that the equities are on the side of the company sufficient to justify us in amending the law at this late date so as expressly to bring it within the law. I do not know whether, if the attention of Congress had been called to the matter at the time, this company would have been included in the benefits of the guaranty period or not. No one can tell that with any degree of certainty. The fact is, this company was not included, and it is the only steamship company independently operated that claims the benefit of this guaranty period provision of the law. To support this bill we have to go back now and say that the equities in its favor are the same as with the railroad companies, even though the company had complete control of its property for one full year before the Federal Government released control of the railroads. [Applause.]

Mr. PARKER. Mr. Chairman, I yield four minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK of Massachusetts. Mr. Chairman, reference has been made during the debate to an unfortunate accident which happened night before last when one of the steamers of the Merchants & Miners' Steamship Co., the *Fairfax*, while leaving Boston for Baltimore and Norfolk, collided in Massachusetts Bay, off the town of Scituate, with an oil tanker, as a result of which a very disastrous catastrophe occurred. You have undoubtedly read in the newspapers that between 40 and 50 persons lost their lives as a result of that collision. I am sure, Mr. Chairman, that no member of this committee will consider that unfortunate accident in determining what course of action he will take on the bill which is before us to-day. As far as I am concerned, representing a district in Massachusetts nearby where this unfortunate catastrophe took place, I immediately wired the United States attorney at Boston that it was his duty to investigate the catastrophe and to prosecute any persons who might be alive who are responsible or who may be responsible criminally for any of the circumstances which either led up to the collision, or any violations of Federal law which may have taken place subsequent to the collision. It is my opinion that some such circumstances exist. However, that has nothing to do with the bill that is before us to-day.

I have also talked with Mr. Klein, Assistant Secretary of Commerce, who has assured me that the collision is going to receive most drastic investigation by his department. I have also talked with the Department of Justice, with a Mr. Ramsey, who will take it up in collaboration with the United States attorney's office in Boston. I have also discussed the matter with the Coast Guard, which was not notified of the unfortunate accident, and they are making a separate, independent investigation to determine whether or not any S O S calls were sent out, which, as a matter of fact, we know were not sent out, and to determine where their boats were at or about the time the accident took place, to show what they could have done had they received proper warning. But that has nothing to do with the matter before us to-day. That has something to do with the criminal court. That has something to do with the civil court. That is where the consequences following that unfortunate accident will be determined.

Mr. Chairman, I hope that no Member of this body will permit the injection of that argument to be weighed by him in determining his vote on this bill. As far as I am concerned, I am satisfied that the equities are such that the committee was justified in reporting this bill, and it is my intention to vote for its passage.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. HUDDLESTON. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. LAGUARDIA].

The CHAIRMAN. The gentleman from New York is recognized for 11 minutes.

Mr. LAGUARDIA. Mr. Chairman, I can not remember, during my 12 years in this House, a case of this kind, purely a bill for the relief of one individual or one corporation, as the case may be, reported out in the form of general legislation



from a committee other than the Committee on Claims and brought on the floor of the House under a special rule. I have asked some of the older Members if they recall such a case, and up to this moment I have not heard of a similar instance. It is conceded that the bill is for the relief of the Merchants & Miners' Transportation Co. only, and for no other purpose.

I agree with the gentleman from Massachusetts that the matter of the collision which occurred the other evening has nothing to do with the determination of the bill before the House. I think any sensible person will agree with him on that.

Gentlemen, this is only 1930. If we are going to start on the policy of appropriating for so-called equitable losses to individuals and corporations sustained during the World War, can you not contemplate what is going to happen in the next 25 years?

This is not a case of a child playing on the streets, negligently, if you please, and injured by a post-office truck. If it were, it would be on the Private Calendar and would have an adverse report from the department. But here is the case of a corporation engaged in an extensive business, well advised by legal talent, and managed by prudent business men. We must assume they knew what they were doing when they signed a general release. A general release is the most solemn document known to the law, and it is invariably sustained by the courts by reason of the fact that a general release terminates litigation and claims.

The gentleman from Maryland [Mr. LINTHICUM] points out that it was in the form used for the railroads. Of course it was. There is only one form of general release because of the binding and permanent obligations it carries on both parties. For a good and sufficient consideration it releases all claims of every kind, nature, and description arising out of a given transaction or act. You can not word it or frame it in any other language.

Another proposition is that we must presume that at the time of the signing of this release and the acceptance of the \$1,300,000 all of the respective claims and rights of the two parties were in the contemplation of the two parties. That, too, is a well-established principle of law and equity.

The matter of the six months' guaranty, as the gentleman from Maryland, supporting the bill, pointed out, was known to both parties. Why? Because the usual form was submitted by the administration to the company, filled out and signed by them, received by the Railroad Administration, and held that they had no claim under the law for the six months' guaranty period.

Mr. LINTHICUM. Will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. LINTHICUM. Would it be possible for anyone to release a thing they did not have? They had no rights under the transportation act for the six months, and not having any rights they could not release any rights.

Mr. LA GUARDIA. Then you are out of court before you start?

Mr. LINTHICUM. No; we are asking now that we be given this right.

Mr. LA GUARDIA. If you had no rights in 1919, when you took over the steamers, and if you had no rights when you signed the release, then you have no rights now.

Mr. LINTHICUM. We have no rights under the six months.

Mr. LEA. I want to call the gentleman's attention to the fact that what the gentleman states is true: That at the time this release was signed both parties had knowledge of the claim for the guaranty period, and the settlement was confined to the "control period," which preceded the guaranty period. That, in my judgment, tends to relieve the general release of any imputation of deception.

Mr. LA GUARDIA. But, if the gentleman pleases, the release was signed after the termination of a period longer than the guaranty period, and it released the Government, the President, the railroad administrator, and all parties of all claims.

Mr. LEA. It specifically said for the "control period" and did not cover the guaranty period, for which this claim is asserted.

Mr. LA GUARDIA. And for which the gentleman from Maryland said they had no claim.

Mr. LEA. That is the claim here.

Mr. LINTHICUM. That is what we are asking for by this legislation.

Mr. LA GUARDIA. The best the railroad act did was to guarantee—and I want to be corrected if I am in error—a return equal to or approximating 5½ per cent on the capitalization for a period of six months. Is that right?

Mr. LEA. No. The guaranty period was based on the test period, the three years preceding Federal control. The same

rate continued after the period of Federal control for six months. It was based on the average earnings of this company for a 3-year period before taking over the line.

Mr. LA GUARDIA. I know; but I understand it was based on an equivalent to a 5½ per cent return. Will the gentleman grant me this, that during the time of Government operation all of the expenses were paid by the Government?

Mr. LEA. They were.

Mr. LA GUARDIA. Now, the \$1,300,000 was given to this company to pay for all losses sustained by the company by reason of the fact of Government operation.

Mr. LEA. That is correct; and that applied to all who were under Federal control.

Mr. LA GUARDIA. Exactly. Now, will the gentleman from Kansas help me? They were under compulsory Government operation for how long?

Mr. HOCH. Something less than 11 months.

Mr. LA GUARDIA. A period of three or four of the months was because they refused to be taken over.

Mr. MAPES. Yes; seven months.

Mr. LA GUARDIA. Yes. Why, gentlemen, \$1,300,000 represents a 10 per cent return for one year on \$13,000,000.

Mr. LEA. Will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. LEA. The basis of the obligation of the Government is not founded on the question of who was in control but is founded on the theory that the Government controlled the rates of these companies which made it impossible for them to secure a return.

Mr. LA GUARDIA. That is true; but your return is always measured on your investment.

Mr. ARENTZ. Will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. ARENTZ. Is it not a fact that the settlement was made after the railroads all went back to private operation and the rates had been increased, so the whole thing was taken into consideration when the settlement was made; is not that true?

Mr. LEA. No; that is not true. The increased rates did not go into effect until after this guaranty period was over.

Mr. LA GUARDIA. Now, gentlemen, the question is this. Let us be perfectly frank. We have to consider a matter of this kind in a businesslike way. I agree with the gentleman from Connecticut who says this is not an occasion for oratory.

This is simply bringing before the House of Representatives a claim for an act of grace, if you please—it does not even deserve the dignity of calling it an equitable claim—it is an act of grace asking for something in the neighborhood of \$800,000. You can not escape it, and if we permit a bill of this kind to go through, gentlemen, we will have a flood of similar bills of every kind, nature, and description, not only arising from the railroad act but our farmer friends will come in, our manufacturers will come in, our packers will come in, contractors, munition makers, shipyards, and every one who had a war contract and who now has imagination and a Congressman to introduce the bill.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. SCHAFER of Wisconsin. We already have a flood of such bills, but the beneficiaries of those bills are not strong enough to have their bills referred to the Interstate Commerce Committee and get a special rule for their consideration. The Claims Committee has claims pending amounting to many millions of dollars and if the committee does report out one of these bills it goes on the Private Calendar.

Mr. LA GUARDIA. I want to say that what attracted more legislative attention to this bill than anything else was its legislative dress. It is couched in the terms of a general bill, and no matter how you analyze it, no matter how you explain it, it is simply a claim for the relief of one corporation, it has no merit, and the bill ought to be voted down. [Applause.]

Mr. PARKER. Mr. Chairman, I yield 11 minutes to the gentleman from California [Mr. LEA].

Mr. LEA. Mr. Chairman, ladies and gentlemen of the committee, no one claims that the Merchants & Miners' Co. has a legal right to this amount against the Government. They have no legal right, because they did not own any railroad line in connection with their company. They operated only on water and not on both land and water. If they had owned 10 miles of railroad in connection with their company they would have received this money years ago and there would be no question about it to-day.

I want to review briefly the facts on which I conceive this claim to be based. I can see why gentlemen hesitate to vote for this bill. I did myself. But consideration convinced me there was an equitable claim here that should be allowed. I want to state to you the foundation of that equity as I conceive it.



The railroads were taken over under the general law in December, 1917. On March 21, 1918, the Congress, by the Federal control act, authorized the compensation to be paid the railroads and shipping companies taken over. On the 11th of April this shipping company was taken over by the Federal Government. The Federal Government maintained control until after the war was over. Shortly after the war was over the Federal administration proposed to release this shipping company from Federal control.

Congress, in providing for taking over these companies, had provided that the Government should not release them after the 1st day of July, 1918, without their consent. This company declined.

It was subsequently paid for the period of Federal control. On the 28th day of February, 1920, the railroads and all the shipping companies were released from Federal control. Congress passed the act guaranteeing to the shipping companies that were operated with railroad companies, guaranteeing to the short-line railroads that had never been under Federal control, guaranteeing to all the principal railroads of the country that were released from Federal control six months' continuation of the guaranty period. There was no Federal control during the period covered by this claim for the railroads or any other transportation companies. The claim here is for that guaranty period after Federal control terminated.

Now what was done? Where is the equity? This company operated from Boston down the Atlantic coast to Florida. Eighty per cent of its through business was in competition with the railroads. Eighty per cent of its rates were fixed by the Railroad Administration. The balance of its business was in competition with Federal rail rates.

Four days before this guaranty period ended the rates were raised 40 per cent in the eastern section. Why? Because everybody recognized the railroad companies could not survive, could not pay expenses, unless rates were raised above the rates of the Federal control period. The rates were fixed by the Federal Government and immediately the guaranty period was over the rates were raised 40 per cent. If the shippers of the United States during the period of Federal control had paid the same freight rates that they paid for the six months after the end of the guaranty period, they would have paid \$3,000,000,000 more for freight during the Federal-control period than they did pay. In other words, the Government of the United States deliberately subsidized transportation during the war period and the guaranty period. There is no question about that in the mind of any man who knows anything about it.

This one company through inadvertence was not given the benefit of the guaranty period. This claim was approved by the Interstate Commerce Commission. Mr. Clark, who all will concede to be a very high-class man, chairman of the commission, approved it. Mr. Wright, the Assistant Director of the Railroad Administration, appeared before the committee and he approved it. Mr. John Esch, one of the most able men who has been in Congress since I have been here, approved this claim.

I want to read to you the basis of this claim as asserted by Mr. Clark, showing the principle upon which it is founded. Mr. Clark said:

My conception and understanding of it is that Congress determined that Federal control should terminate, but they knew that under the then existing level of operating expenses which had been built up by the Government and the then existing level of rates, which also had been fixed by the Government, it was impossible for a privately owned railroad to operate and retain solvency. \* \* \* They then provided that during the 6-month period following Federal control they would guarantee the roads that their revenues should not be less than for the corresponding six months during the test period by which the standard return during the period of Federal control was measured. In other words, it was simply extending the period of Federal control as to their earnings for six months beyond the absolute surrender of the property, but with the additional agreement that if they earned more than that amount the excess should belong to the Government.

In other words, we adopted the guaranty clause instead of raising freight rates. We left these companies with a low rate, a rate that would not pay expenses. We made it impossible for them to operate successfully without the guaranty. The equity of the case is that this one company was denied a just rate and did not get the benefit of the guaranty clause that was enjoyed by other transportation companies that had been under Federal control. It is not a question whether they or the Federal Government had control. It is a question as to who fixed the rate and made it possible or impossible to pay expenses. The Government fixed the rates, denied them rates to make it possible to meet expenses. That was done when it was the deliberate

policy of the Government to make up the deficiency by the guaranty.

Mr. HOCH. Will the gentleman yield?

Mr. LEA. I yield.

Mr. HOCH. We did not increase the rates which the gentleman refers to until July or August, 1920.

Mr. LEA. Four days before the end of the guaranty period, August 28, 1920.

Mr. HOCH. And the final settlement was made more than a year after the increase of rates.

Mr. LEA. Exactly. Now the question is raised that the general release covered this claim. The record will not verify that statement. The release given was specifically made for the Federal "control period." That settlement was made over a year after the Federal-control period had terminated. This company had given notice to the Railroad Administration within 30 days after the beginning of this guaranty period that it claimed under the guaranty period. Here was a settlement and a release made a year later with all of the parties concerned knowing that this company asserted this claim, and they confined the settlement and release to the Federal-control period and said nothing about the guaranty period. Manifestly the settlement was not intended to cover the guaranty period.

Mr. HOCH. Does the gentleman have any idea of what the president of the company meant when he replied to the gentleman's inquiry and said that in that settlement there was an express reservation of this claim?

Mr. LEA. I do not accept the interpretation that this gentleman intended to deceive the committee. If I thought that, I would be opposing this claim. What I believe he meant was that they had an oral understanding at that time that the company still claimed under the guaranty clause. Whether he made that settlement or not, it is apparent he did claim under it, because the settlement was confined to the control period, and not the guaranty period of which all of them were aware. Ascribe an honest and intelligent purpose to the Government representatives who made the settlement and you can not claim they were deceived by the President of the company. They knew of the claim for the guaranty period, and it was their duty to see that it was included in the settlement, if such was the intention.

The CHAIRMAN. All time has expired, and the Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted, etc.,* That subdivision (a) of section 209 of the transportation act, 1920, be, and the same is hereby, amended and reenacted so as to read as follows:

"(a) When used in this section—

"The term 'carrier' means (1) a carrier by railroad or partly by railroad and partly by water, whose railroad or system of transportation is under Federal control at the time Federal control terminates, or which has heretofore engaged as a common carrier in general transportation and competed for traffic, or connected, with a railroad at any time under Federal control; and (2) a carrier by water not controlled by any railroad company, or a sleeping-car company, whose system of transportation is under Federal control at the time Federal control terminates, but does not include a street or interurban electric railway not under Federal control at the time Federal control terminates, which has as its principal source of operating revenue urban, suburban, or interurban passenger traffic or sale of power, heat, and light, or both: *Provided*, That the claim or claims of any carrier to which the benefits of this section are hereby for the first time made available shall be filed with the commission within 60 days from the date of the approval of this amendment, and shall be allowed and paid as otherwise provided in this act, notwithstanding the provisions of any prior statute or administrative rule, or ruling, of limitation;

"The term 'guaranty period' means the six months beginning March 1, 1920;

"The term 'test period' means the three years ending June 30, 1917; and

"The term 'railway operating income' and other references to accounts of carriers by railroad shall, in the case of a carrier by water not controlled by any railroad company, or of a sleeping-car company, be construed as indicating the appropriate corresponding accounts in the accounting system prescribed by the commission."

Mr. HOCH. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The question is on the motion of the gentleman from Kansas that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The question was taken; and on a division (demanded by Mr. PARKER) there were—ayes 102, noes 54.

So the motion was agreed to.



Accordingly the committee rose; and Mr. TILSON having resumed the chair as Speaker pro tempore, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 962, and had directed him to report the same back to the House with the recommendation that the enacting clause be stricken out.

Mr. HOCH. Mr. Speaker, I move the previous question on the recommendation.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the recommendation of the committee striking out the enacting clause.

The question was taken; and on a division (demanded by Mr. JOHNSON of Indiana) there were—ayes 156, noes 60.

So the enacting clause was stricken out.

Mr. HOCH. I move to reconsider the vote by which the enacting clause was stricken out and lay that motion on the table.

The motion was agreed to.

The SPEAKER pro tempore. Without objection, a message will be sent informing the Senate of the action of the House.

There was no objection.

#### SALE OF COAL DEPOSITS, CHOCTAW NATION, OKLAHOMA—CONFERENCE REPORT

Mr. LEAVITT. Mr. Speaker, I submit a conference report upon the bill (S. 4140) providing for the sale of the remainder of the coal and asphalt deposits in the segregated mineral land of the Choctaw and Chickasaw Nations, Oklahoma, and for other purposes, for printing under the rule.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. STEVENSON, for one week, on account of illness in family.

#### BRIDGE ACROSS CHOCTAWHATCHEE RIVER, FLA.

Mr. DENISON. Mr. Speaker, I call up the bill (S. 4585) authorizing the State of Florida, through its highway department, to construct, maintain, and operate a free highway bridge across the Choctawhatchee River, near Freeport, Fla., a similar House bill having passed the House.

The SPEAKER pro tempore. The gentleman from Illinois calls up the bill S. 4585, which the Clerk will report, a similar bill having passed the House.

The Clerk read the Senate bill, as follows:

*Be it enacted, etc.,* That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State of Florida, through and by its highway department, be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Choctawhatchee River at a point suitable to the interests of navigation, east of Freeport, Fla., connecting the counties of Washington and Walton, Fla., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. There is hereby conferred upon the State of Florida, through its highway department, all such rights and powers to enter upon land and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. SCHAFER of Wisconsin. Is this a free bridge?

Mr. DENISON. Yes.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

#### BRIDGE ACROSS DES MOINES RIVER, IOWA

Mr. DENISON. Mr. Speaker, I call up the bill (S. 4064) to extend the times for commencing and completing the construction of a bridge across the Des Moines River, at or near Croton, Iowa, a similar bill having passed the House.

The SPEAKER pro tempore. The gentleman from Illinois calls up the bill (S. 4064), which the Clerk will report, a similar bill having passed the House.

The Clerk read the Senate bill, as follows:

*Be it enacted, etc.,* That the times for commencing and completing the construction of the bridge across the Des Moines River, at or near

Croton, Iowa, authorized to be built by Henry Horsey, Winfield Scott, A. L. Ballegoin, and Frank Schee, their heirs, legal representatives, and assigns, by the act of Congress approved May 22, 1928, and heretofore extended by the act of Congress approved March 2, 1929, are hereby extended one and three years, respectively, from May 22, 1930.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. PATTERSON. Is this a private toll bridge?

Mr. DENISON. I do not remember, but the bill has already passed the House and has gone to the Senate.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The question was taken; and on a division (demanded by Mr. SCHAFER of Wisconsin) there were—ayes 25, noes 5.

So the bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken, and the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table, and under the rule referred as follows:

S. 3122. An act authorizing Henry F. Koch, trustee, the Evansville Chamber of Commerce, his legal representatives and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near Evansville, Ind.; to the Committee on Interstate and Foreign Commerce.

#### ENROLLED BILLS SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 8372. An act to provide for the construction and equipment of an annex to the Library of Congress;

H. R. 11903. An act granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Niagara Falls, N. Y.; and

H. R. 11933. An act granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Tonawanda, N. Y.

#### BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 8372. An act to provide for the construction and equipment of an annex to the Library of Congress;

H. R. 11903. An act granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Niagara Falls, N. Y.; and

H. R. 11933. An act granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate a toll bridge across the east branch of the Niagara River at or near the city of Tonawanda, N. Y.

#### ADJOURNMENT

Mr. PARKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 20 minutes) the House adjourned until to-morrow, Friday, June 13, 1930, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Friday, June 13, 1930, as reported to the floor leader by clerks of the several committees:

#### COMMITTEE TO INVESTIGATE COMMUNISTIC PROPAGANDA

(10 a. m.—Committee on Foreign Affairs committee room)

To hear testimony concerning communist activities in recent strikes.



## COMMITTEE ON MILITARY AFFAIRS

(10 a. m.)

To authorize the acquisition of lands in Alameda and Marin Counties, Calif., and the construction of buildings and utilities thereon for military purposes (H. R. 12661).

## COMMITTEE ON FLOOD CONTROL

(10 a. m.)

To consider Mississippi flood-control projects.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

542. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the Department of State for the fiscal year 1931, amounting to \$182,500, and draft of a proposed provision pertaining to an existing appropriation (H. Doc. No. 465); to the Committee on Appropriations and ordered to be printed.

543. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Department of Commerce for the fiscal year ending June 30, 1931, amounting to \$356,000 (H. Doc. No. 466); to the Committee on Appropriations and ordered to be printed.

544. A communication from the President of the United States, transmitting supplemental estimate of appropriation amounting to \$100,000 for the Department of Agriculture for the fiscal year 1931, for the purchase of land to be used in establishing a migratory refuge for birds in the Cheyenne Bottoms, Barton County, Kans. (H. Doc. No. 467); to the Committee on Appropriations and ordered to be printed.

545. A communication from the President of the United States, transmitting supplemental estimate of appropriation amounting to \$200,000 for the Department of Agriculture, for the fiscal year 1931, to enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce," approved June 10, 1930 (H. Doc. No. 468); to the Committee on Appropriations and ordered to be printed.

546. A communication from the President of the United States, transmitting draft of a proposed provision pertaining to an existing appropriation of the Navy Department (H. Doc. No. 469); to the Committee on Appropriations and ordered to be printed.

547. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year 1931 for \$150,000 to enable the Chief Executive to allocate to any executive department or independent establishment such amounts as may be necessary to begin the preparation and maintenance of the individual record of deductions made from the salary of each employee for credit to the civil-service retirement and disability fund (H. Doc. No. 470); to the Committee on Appropriations and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HAUGEN: Committee on Agriculture. S. 101. An act to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat, and for other purposes; with amendment (Rept. No. 1879). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANKIN: Committee on the Census. S. 2323. An act authorizing the Director of the Census to collect and publish certain additional cotton statistics; without amendment (Rept. No. 1880). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM: Committee on the Judiciary. H. R. 12842. A bill to create an additional judge for the southern district of Florida; without amendment (Rept. No. 1881). Referred to the Committee of the Whole House on the state of the Union.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 12759. A bill for the retirement of employees of the Panama Canal and the Panama Railroad Co., on the Isthmus of Panama, who are citizens of the United States; without amendment (Rept. No. 1882). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Washington: Committee on the Territories. H. R. 11851. A bill to extend the duties and powers of the Bureau of Efficiency to include the governments of the insular and Territorial possessions of the United States; with amendment

(Rept. No. 1883). Referred to the Committee of the Whole House on the state of the Union.

Mr. STAFFORD: Committee on Military Affairs. H. R. 3592. A bill to further amend section 37 of the national defense act of June 4, 1920, as amended by section 2 of the act of September 22, 1922, so as to more clearly define the status of reserve officers not on active duty or on active duty for training only; with amendment (Rept. No. 1884). Referred to the House Calendar.

Mr. McFADDEN: Committee on Banking and Currency. S. 4287. An act to amend section 202 of Title II of the Federal farm loan act by providing for loans by Federal intermediate credit banks to financing institutions on bills payable and by eliminating the requirement that loans, advances, or discounts shall have a minimum maturity of six months; without amendment (Rept. No. 1888). Referred to the House Calendar.

Mr. McFADDEN: Committee on Banking and Currency. S. 4028. An act to amend the Federal farm loan act as amended; without amendment (Rept. No. 1889). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CHRISTGAU: Committee on Claims. H. R. 819. A bill for the relief of John Holly Wilkie; with amendment (Rept. No. 1885). Referred to the Committee of the Whole House.

Mr. BROWNE: Committee on Foreign Affairs. H. R. 11541. A bill for the relief of McIlwraith McEacharn's Line, Proprietary (Ltd.); without amendment (Rept. No. 1886). Referred to the Committee of the Whole House.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 654. A bill for the relief of Nelson M. Holderman; with amendment (Rept. No. 1887). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SPEAKS: A bill (H. R. 12918) to amend the national defense act of June 3, 1916, as amended; to the Committee on Military Affairs.

By Mr. LEAVITT: A bill (H. R. 12919) granting the consent of Congress to the State of Montana or any political subdivisions or public agencies thereof, or any of them, to construct, maintain, and operate a free highway bridge across the Missouri River southerly from the Fort Belknap Indian Reservation at or near the point known and designated as the power-site crossing; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 12920) granting the consent of Congress to the State of Montana and the counties of Roosevelt and Richland, or any of them, to construct, maintain, and operate a free highway bridge across the Missouri River at or near Culbertson, Mont.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 12921) to authorize the leasing of unallotted Indian lands for mining purposes; to the Committee on Indian Affairs.

By Mr. GRIFFIN: A bill (H. R. 12922) providing for medals of honor and awards to Government employees for distinguished service in science or for voluntary risk of life and health beyond the ordinary risks of duty; to the Committee on the Library.

By Mr. RANSLEY: A bill (H. R. 12923) to authorize appropriations for construction at military posts, and for other purposes; to the Committee on Military Affairs.

By Mr. HASTINGS: A bill (H. R. 12924) to provide for the furnishing of bonds by national and State banks and trust companies which are members of the Federal reserve system for the protection of depositors; to the Committee on Banking and Currency.

By Mr. PERKINS: Resolution (H. Res. 250) appropriating a sum not to exceed \$25,000 for the investigation of communist propaganda in the United States; to the Committee on Accounts.

By Mr. BEERS: Resolution (H. Res. 251) to print a synopsis or summary of an act granting pensions and increase of pensions to certain soldiers, sailors, and nurses of the war with Spain, the Philippine insurrection, or the China relief expedition, and for other purposes, as a House document; to the Committee on Printing.

By Mr. McFADDEN: Joint resolution (H. J. Res. 364) prohibiting the purchase of German reparation bonds by national banks, Federal reserve banks, and member banks of the Federal reserve system; to the Committee on Banking and Currency.



By Mr. FULMER: Concurrent resolution (H. Con. Res. 37) to authorize the printing of the hearings held before the Federal Trade Commission relative to the charge that certain corporations operating cottonseed-oil mills are violating the antitrust laws with respect to prices for cottonseed and acquiring the ownership or control of cotton gins as a document for the use of the Senate and House; to the Committee on Printing.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 12925) granting an increase of pension to Jennie Miner; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 12926) for the relief of Lamm Lumber Co.; to the Committee on Claims.

By Mr. COYLE: A bill (H. R. 12927) for the relief of John Gwilym; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 12928) for the relief of James Hall; to the Committee on Military Affairs.

By Mr. EVANS of Montana: A bill (H. R. 12929) granting to the Butte Anglers' Club, of Butte, Mont., a patent to lot 1, section 5, township 2 south, range 9 west, and a patent to the Northern Pacific Railway Co. of lot 2 in said section 5; to the Committee on the Public Lands.

By Mr. LETTS: A bill (H. R. 12930) granting a pension to Joseph R. Smith; to the Committee on Invalid Pensions.

By Mr. McFADDEN: A bill (H. R. 12931) granting an increase of pension to Hattie R. S. Gates; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 12932) granting a pension to John W. Griffin; to the Committee on Pensions.

By Mr. MANLOVE: A bill (H. R. 12933) granting a pension to Rachel Harvey; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 12934) granting an increase of pension to Rebecca Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12935) granting an increase of pension to Hallie Redfern; to the Committee on Invalid Pensions.

By Mr. FRANK M. RAMEY: A bill (H. R. 12936) granting an increase of pension to Elizabeth J. Hearin; to the Committee on Invalid Pensions.

By Mr. REED of New York: A bill (H. R. 12937) granting an increase of pension to Ellen Elmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12938) granting an increase of pension to Jennie Apgar; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12939) granting an increase of pension to Lois C. Morse; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12940) granting an increase of pension to Kate Hasler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12941) granting an increase of pension to Mary E. Flanagan; to the Committee on Invalid Pensions.

By Mr. SHOTT of West Virginia: A bill (H. R. 12942) for the relief of F. M. Peters and J. T. Akers; to the Committee on Claims.

By Mr. THOMPSON: A bill (H. R. 12943) granting an increase of pension to Cathern A. Green; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 12944) granting a pension to Alexander E. Brown; to the Committee on Pensions.

Also, a bill (H. R. 12945) granting a pension to Addie E. Kittredge; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 12946) granting a pension to Mary Shoch; to the Committee on Pensions.

By Mr. WYANT: A bill (H. R. 12947) granting an increase of pension to Catherine Campbell; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7542. By Mr. GARBER of Oklahoma: Petition of the News-Dispatch Printing & Audit Co., Shawnee, Okla., in opposition to House bill 11096; to the Committee on the Post Office and Post Roads.

7543. Also, petition of Immigration Restriction Association, Chicago, Ill., in support of Harris bill; to the Committee on Immigration and Naturalization.

7544. Also, petition of Lodge No. 294, Switchmen's Union of North America, in support of Senate Joint Resolution 161; to the Committee on Interstate and Foreign Commerce.

7545. Also, petition of Order of Railroad Telegraphers, Enid, Okla., in support of Senate Joint Resolution 161; to the Committee on Interstate and Foreign Commerce.

7546. By Mr. JOHNSON of Nebraska: Petition against proposed calendar change of weekly cycle, signed by 162 citizens of Culbertson, Trenton, and McCook, Nebr.; to the Committee on Foreign Affairs.

7547. By Mr. LINDSAY: Petition of Morris Dickstein Post, No. 462, New York, N. Y., urging that House bill 3239, providing increase in pensions to veterans losing limbs in line of duty, be immediately reported out of committee; to the Committee on Invalid Pensions.

7548. By Mr. REED of New York: Petition of the Woman's Christian Temperance Union, of Franklinville, Steamburg, Niobe, Fredonia, Cherry Creek, Phillips Creek, Little Valley, Friendship, and Jamestown, N. Y.; E. Snell Hall, president board of education; and other citizens of Jamestown, N. Y., indorsing the Hudson bill, H. R. 9986; to the Committee on Interstate and Foreign Commerce.

7549. By Mr. STONE: Resolution by Fletcher O'Dell Pledger Post, No. 88, Cleveland County, Okla., signed by the chairman, Daniel Nelson, and members, urging the passage of the Capper-Johnson bill; to the Committee on World War Veterans' Legislation.

7550. By Mr. WOLVERTON of West Virginia: Petition of H. H. Sears, of Silica, W. Va., urging Congress to pass at this session of Congress the Patman bill, providing for the redemption of adjusted-compensation certificates now held by veterans of the World War; to the Committee on World War Veterans' Legislation.

7551. By Mr. YATES: Petition of A. M. Tepton, secretary World Bond Adjusters, 173 West Madison Street, Chicago, Ill., urging defeat of House bill 11096; to the Committee on the Post Office and Post Roads.

7552. Also, petition of C. P. Burton, manager-editor the Earth Mover Publishing Co., Aurora, Ill., protesting the passage of House bill 11096, relative to certain post-office legislation; to the Committee on the Post Office and Post Roads.

7553. Also, petition of Hiram Penn, vice president Chicago & Riverdale Lumber Co., Riverdale, Chicago, Ill., protesting the passage of House bill 11096; to the Committee on the Post Office and Post Roads.

7554. Also, petition of the Tuthill Springs Co., 760 Polk Street, Chicago, protesting the passage of House bill 11096; to the Committee on the Post Office and Post Roads.

7555. Also, petition of J. V. Bohn, president J. V. Bohn Service, 37 West Van Buren Street, Chicago, Ill., protesting the passage of House bill 11096, stating it will reduce revenue rather than increase it; to the Committee on the Post Office and Post Roads.

7556. Also, petition of W. S. Leidig, president Barbers International Union, No. 548, 315 South Ashland Boulevard, Chicago, Ill., urging the passage of House bill 6603, known as the half-holiday bill; to the Committee on the Post Office and Post Roads.

7557. Also, petition of E. J. Baelis, auditor, D. B. Hanson & Sons, 23 North Franklin Street, Chicago, Ill., protesting the passage of House bill 11096; to the Committee on the Post Office and Post Roads.

#### SENATE

FRIDAY, June 13, 1930

(Legislative day of Monday, June 9, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Frazier	La Follette	Shortridge
Ashurst	George	McCulloch	Simmons
Baird	Gillett	McKellar	Smoot
Barkley	Glass	McMaster	Steiner
Bingham	Glenn	McNary	Stephens
Black	Goldsborough	Metcalf	Sullivan
Blaine	Greene	Moses	Swanson
Borah	Grundy	Norbeck	Thomas, Idaho
Bratton	Hale	Norris	Thomas, Okla.
Brock	Harris	Oddie	Townsend
Brookhart	Harrison	Overman	Trammell
Broussard	Hastings	Patterson	Tydings
Capper	Hatfield	Philpotts	Vandenberg
Caraway	Hawes	Pine	Wagner
Connally	Hayden	Pittman	Walcott
Copeland	Hebert	Ransdell	Walsh, Mass.
Couzens	Heflin	Reed	Walsh, Mont.
Cutting	Howell	Robinson, Ark.	Waterman
Dale	Johnson	Robinson, Ind.	Watson
Deneen	Jones	Robison, Ky.	Wheeler
Dill	Kean	Schall	
Fess	Kendrick	Sheppard	
Fletcher	Keyes	Shipstead	